



## Singapore Telecommunications Limited And Subsidiary Companies

### MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019

With effect from 1 April 2019, the Group has adopted SFRS(I) 16, *Leases*, on prospective basis with no restatement to the comparatives. SFRS(I) 16 replaced SFRS(I) 1-17 and related interpretations. See **Appendix 2** for the impact of SFRS(I) 16 on the financials.

The financial statements for the periods ended, and as at, 30 September 2019 are unaudited.

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

*For all pages, "@" denotes more than +/- 500%, "\*" denotes less than +/- S\$0.5 million or A\$0.5 million 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

## PERFORMANCE AT A GLANCE

	Financial Year			Quarter				
	Mar 19 S\$ m	Mar 18 S\$ m	Mar 17 S\$ m	Sep 19 S\$ m	Jun 19 S\$ m	Mar 19 S\$ m	Dec 18 S\$ m	Sep 18 S\$ m
<b>Operating Highlights</b>								
Group mobile customer base (million) <sup>(1)</sup>	692	706	638	711	700	692	677	717
Mobile customer market share (%)								
- Singapore	49.9	48.9	48.8	49.8	49.5	49.9	50.3	49.8
- Australia	NA	NA	NA	NA	31.5	NA	31.6	NA
- Airtel India	28.0	25.7	23.4	28.0	27.5	28.0	28.9	29.0
- Telkomsel	51.1	48.5	46.0	49.3	49.8	51.1	50.3	50.7
- AIS	45.2	44.8	44.8	45.3	45.1	45.2	45.0	44.8
- Globe	56.6	52.1	48.1	57.7	57.9	56.6	55.1	53.0
<b>Group Financials (S\$ million)</b>								
Operating revenue	17,372	17,268	16,711	4,152	4,113	4,342	4,626	4,270
EBITDA	4,692	5,051	4,998	1,162	1,184	1,166	1,190	1,129
Share of associates' pre-tax profits	1,536	2,461	2,886	442	359	419	371	330
EBIT	4,006	5,261	5,645	963	898	1,025	1,007	905
Underlying net profit	2,825	3,593	3,871	737	575	697	680	715
Net (loss)/profit <sup>(2)</sup>	3,095	5,473	3,853	(668)	541	773	823	667
Free cash flow	3,650	3,606	3,054	770	1,223	1,120	387	676
Cash capex	1,718	2,349	2,261	375	528	485	414	354
<b>Digitalisation and Cost Savings</b>								
Digital revenue <sup>(3)</sup> as % of total revenue	14	NA	NA	15	15	15	15	15
As a % of total revenue								
- Direct costs <sup>(4)</sup>	47	43	41	47	47	48	49	45
- Indirect costs <sup>(4)</sup>	28	29	30	26	26	27	26	29
Cost savings (S\$ million)	541	434	256	131	132	221	127	130
<b>Key Financial Ratios</b>								
Proportionate EBITDA from outside Singapore (%)	76	76	75	79	77	78	75	76
Return on invested capital (%) <sup>(5)</sup>	7.7	9.6	10.9	-	-	-	-	-
Return on equity (%) <sup>(2)(5)</sup>	10.4	18.9	14.5	-	-	-	-	-
<b>Valuation Indicators</b>								
Market Capitalisation (S\$ billion)	49.3	55.0	64.0	50.6	57.2	49.3	47.8	52.9
Enterprise Value (S\$ billion)	59.2	64.9	74.4	62.8	69.3	59.2	57.8	62.9
EV / EBITDA <sup>(5)</sup>	12.6	12.8	14.9	-	-	-	-	-
P/E Ratio <sup>(2)(5)</sup>	15.9	10.1	16.4	-	-	-	-	-

**Notes:**

(1) Comprise the Group's mobile customers in the markets of Singapore, Australia and that of Airtel, Telkomsel, Globe and AIS.

(2) FY2018 included the gain on disposal of economic interest in NetLink Trust.

(3) Comprise revenues from Group Digital Life and digital services across consumer and enterprise businesses.

(4) Direct costs comprise mainly cost of sales, traffic expenses and other expenses directly attributable to revenue earned. Indirect costs refer to expenses not directly attributable to revenue earned.

(5) Only applicable for full financial year.

"NA" denotes not available/not applicable.

## SECTION 1 : GROUP

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### FINANCIAL HIGHLIGHTS

#### FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2019

- **In constant currency terms<sup>1</sup>, operating revenue was stable while EBITDA grew 6.5% on higher NBN migration revenues and lower operating lease expenses partly offset by weaker enterprise performance in Australia.**

The consumer business remained resilient with higher revenue and EBITDA despite intense data competition and accelerated decline in voice services.

The enterprise business was impacted by economy headwinds which dampened business sentiments and corporate demand. In Australia, declines in legacy products and reforms in the finance sector added further pressure.

- **With 6% depreciation in the Australian Dollar, operating revenue declined 2.8% while EBITDA grew 2.9%.**
- **The associates' pre-tax profit contributions grew 34% while post-tax profit contributions fell 17%. Excluding Airtel, pre-tax and post-tax profit contributions rose 9.5% and 9.6% respectively.**

Contributions from AIS and Globe grew at double-digit with robust data growth. Telkomsel recorded stable revenue and earnings against pricing pressures and decline in legacy businesses. Airtel improved operating performance in India and Africa but overall losses increased on lower deferred tax credits.

- **Underlying net profit grew 3.1%. With S\$1.41 billion of exceptional losses arising mainly from share of Airtel's provision for regulatory demands due to an adverse ruling on the definition of Adjusted Gross Revenue on 24 October 2019, a net loss of S\$668 million was recorded.**
- **Excluding Airtel, underlying net profit declined 1.3% while net profit grew 4.2%.**
- **Free cash flow grew 14% due to higher operating cash flow.**

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<sup>1</sup> Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding quarter ended 30 September 2018.

**SECTION 1 : GROUP**

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**BUSINESS HIGHLIGHTS****FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2019**

- **The Group's combined mobile customer base reached 711 million as at 30 September 2019, up 10 million or 1.5% from a quarter ago. The scale provided a strong platform for the Group to drive usage of mobile data services and expand into digital services, including content, mobile financial and gaming services.**
- **Across Singapore and Australia, the Group invested S\$177 million in the quarter to enhance its mobile network. In Australia, 300 5G fixed wireless sites now serve Optus' customers for their home broadband needs.**
- **Singtel enhanced its international connectivity and invested in the extension of the Southern Cross Cable Network.**
- **NCS achieved a record order book of S\$3.3 billion, with new orders from multiple customers.**
- **The Group achieved cost savings of S\$131 million for the quarter, bringing cumulative cost savings for the half year to S\$263 million, as it made good progress with its digitalisation and cost transformation programmes.**

**SECTION 1 : GROUP**

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**OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2020**

The Group's operations are expected to be resilient against a backdrop of intense competition and carriage decline.

Taking into account the results for the half year ended 30 September 2019, the Group expects the following for the current financial year:

- Consolidated revenue<sup>2</sup> and EBITDA<sup>2</sup> for the Group are expected to be stable.
- Capital expenditure is expected to approximate S\$2.1 billion, comprising A\$1.3 billion for Optus and S\$0.8 billion for the rest of the Group.
- Free cash flow (excluding spectrum payments and dividends from associates) to be around S\$2.4 billion.
- Dividends from the regional associates are expected to be around S\$1.2 billion.
- Revenue from ICT services to grow by low single digit.
- Cyber security revenue is projected to increase by mid single digit. Excluding payment compliance services, it is expected to grow by low teens.
- Amobee's operating revenue is expected to decline by mid single digit and its EBITDA to improve.

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<sup>2</sup> Excluding NBN migration revenues in Australia for FY2020 and FY2019.

## SECTION 1 : GROUP

## GROUP SUMMARY INCOME STATEMENT

For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY		Half Year		YOY	
	30 Sep		Chge %	Chge in cc <sup>(2)</sup> %	30 Sep		Chge %	Chge in cc <sup>(2)</sup> %
	2019 <sup>(1)</sup> S\$ m	2018 S\$ m			2019 <sup>(1)</sup> S\$ m	2018 S\$ m		
<b>Operating revenue</b>	<b>4,152</b>	<b>4,270</b>	<b>-2.8</b>	<b>0.1</b>	<b>8,265</b>	<b>8,404</b>	<b>-1.7</b>	<b>1.2</b>
Operating expenses	(3,040)	(3,191)	-4.7	-2.1	(6,018)	(6,183)	-2.7	**
	1,112	1,079	3.1	6.7	2,247	2,220	1.2	4.6
Other income	50	50	-0.8	2.6	99	115	-14.2	-11.6
<b>EBITDA</b>	<b>1,162</b>	<b>1,129</b>	<b>2.9</b>	<b>6.5</b>	<b>2,345</b>	<b>2,336</b>	<b>0.4</b>	<b>3.8</b>
<b>- EBITDA margin</b>	<b>28.0%</b>	<b>26.4%</b>			<b>28.4%</b>	<b>27.8%</b>		
Share of associates' pre-tax profits	442	330	34.1	26.3	801	746	7.4	2.6
<b>EBITDA and share of associates' pre-tax profits</b>	<b>1,604</b>	<b>1,459</b>	<b>10.0</b>	<b>11.0</b>	<b>3,147</b>	<b>3,081</b>	<b>2.1</b>	<b>3.5</b>
Depreciation	(550)	(472)	16.6	21.4	(1,111)	(949)	17.0	21.7
Amortisation of intangibles	(91)	(82)	11.4	15.1	(175)	(158)	10.5	13.9
	(641)	(554)	15.8	20.5	(1,286)	(1,108)	16.1	20.6
<b>EBIT</b>	<b>963</b>	<b>905</b>	<b>6.4</b>	<b>5.2</b>	<b>1,861</b>	<b>1,974</b>	<b>-5.7</b>	<b>-6.0</b>
Net finance income/ (expense)	18	(94)	nm	nm	(33)	(164)	-79.9	-74.4
<b>Profit before exceptional items and tax</b>	<b>981</b>	<b>811</b>	<b>20.9</b>	<b>18.9</b>	<b>1,828</b>	<b>1,810</b>	<b>1.0</b>	<b>0.2</b>
Taxation	(250)	(102)	144.3	141.3	(529)	(373)	41.6	40.9
<b>Profit after tax</b>	<b>731</b>	<b>709</b>	<b>3.1</b>	<b>1.2</b>	<b>1,300</b>	<b>1,437</b>	<b>-9.5</b>	<b>-10.4</b>
Minority interests	6	6	-3.3	-3.3	12	11	7.0	5.3
<b>Underlying net profit</b>	<b>737</b>	<b>715</b>	<b>3.1</b>	<b>1.2</b>	<b>1,312</b>	<b>1,448</b>	<b>-9.4</b>	<b>-10.3</b>
Exceptional items (post-tax)	(1,405)	(48)	@	@	(1,439)	51	nm	nm
<b>Net (loss)/ profit</b>	<b>(668)</b>	<b>667</b>	<b>nm</b>	<b>nm</b>	<b>(127)</b>	<b>1,499</b>	<b>nm</b>	<b>nm</b>
<b>Excluding Airtel <sup>(3)</sup></b>								
Share of associates' pre-tax profits	555	506	9.5	4.7	1,076	985	9.2	5.9
EBIT	1,075	1,081	-0.6	-1.5	2,135	2,213	-3.5	-3.6
Underlying net profit	712	721	-1.3	-2.7	1,405	1,435	-2.1	-2.7
Net profit	702	673	4.2	2.5	1,471	1,469	0.1	-0.6

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

**Notes:**

- (1) Include the effects on adoption of SFRS(I) 16, *Leases*, with effect from 1 April 2019. See **Appendix 2** for details.
- (2) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies from the corresponding periods ended 30 September 2018.
- (3) Excluding the post-tax contributions of Airtel and BTL as well as related income accrued from the Group's investment as a pre-IPO shareholder in Airtel Africa.

\*\*\*\* denotes less than +/- 0.05% and "@" denotes more than +/- 500%.

## SECTION 1 : GROUP

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### REVIEW OF GROUP OPERATING PERFORMANCE

#### For The Second Quarter Ended 30 September 2019

In Singapore, the consumer business delivered strong results despite intense competition and pricing pressures. Operating revenue grew 1.7%, and would have grown 4.8% excluding the 2018 FIFA World Cup TV revenue. The growth was driven by higher equipment sales from increased connections which offset lower voice revenue. With higher other income and strong cost management, EBITDA rose 4.5%. In Australia, operating revenue and EBITDA grew 4.8% and 19% respectively driven by higher NBN migration revenues on record migrations.

In the enterprise space, operating revenue fell 5.3% and EBITDA declined 12% amid cautious business environment, weaker demand from key finance sectors in Australia and decline in carriage services. Excluding Australia, Group Enterprise revenue grew 1.0%. NCS delivered strong revenue growth and achieved record order book. Trustwave posted stable security revenue offset by decline in payment compliance business.

Group Digital Life's operating revenue declined 7.6% with more cautious spending by Amobee's major customers and declines in the legacy businesses. Amobee's programmatic business continued to grow and contribute positively to revenue and EBITDA. With strong cost management from Amobee, negative EBITDA reduced by 28%.

Associates' pre-tax profit contributions rose 34% while post-tax profit contributions fell 17%. Excluding Airtel, pre-tax and post-tax profit contributions grew 9.5% and 9.6% respectively on double-digit earnings growth from AIS and Globe. Telkomsel registered stable operating revenue and EBITDA as higher data and digital services were negated by declines in voice and SMS. Airtel group recorded lower pre-tax losses with operational improvements in India and Africa. However, its post-tax results were impacted by lower deferred tax credits.

Depreciation and amortisation charges increased 16% due mainly to depreciation of right-of-use assets.

Net finance income of S\$18 million was recorded this quarter compared to net finance expense of S\$94 million in the last corresponding quarter due to accrual of income from its investment as a pre-IPO shareholder in Airtel Africa, partly offset by higher interest expense on increase in average borrowings (including lease liabilities).

The Group's tax expense increased on higher share of taxes from the associates mainly due to lower deferred tax credits from Airtel.

Consequently, underlying net profit grew 3.1% to S\$737 million.

Airtel recorded sizeable exceptional losses this quarter due mainly to a provision made for regulatory demands following an adverse ruling on the definition of Adjusted Gross Revenue on 24 October 2019 (see page 9 for details). The Group's share of Airtel's exceptional loss was S\$1.39 billion (post-tax).

With a total net exceptional loss of S\$1.41 billion recognised in the quarter, the Group recorded a net loss of S\$668 million.

Excluding Airtel, underlying net profit declined 1.3% while net profit rose 4.2%.

Free cash flow for the quarter was S\$770 million, up 14% from the last corresponding quarter on lower operating lease expenses and lower tax payments.

**SECTION 1 : GROUP**

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**For The Half Year Ended 30 September 2019**

For the first half year, operating revenue declined 1.7% while EBITDA remained stable. In constant currency terms, operating revenue and EBITDA would have increased by 1.2% and 3.8% respectively. The consumer businesses delivered resilient results in Singapore and Australia. The enterprise business was impacted by weaker business sentiments, carriage erosion and lower contribution from Australia. Group Digital Life recorded higher revenue and improved EBITDA from Amobee and HOOQ.

Associates' pre-tax profit contributions grew 7.4% while post-tax profit contributions fell 23%. Excluding Airtel, pre-tax and post-tax profit contributions grew 9.2% and 8.4% respectively, with growth from Telkomsel, AIS and Globe. Airtel improved operating performance in India and Africa but overall losses increased on higher finance costs and lower deferred tax credits.

Consequently, underlying net profit fell 9.4% to S\$1.31 billion.

Including the exceptional loss of S\$1.44 billion, a net loss of S\$127 million for the first half year was recorded.

Excluding Airtel, underlying net profit declined 2.1% while net profit was stable.

Free cash flow declined 7.0% to S\$1.99 billion mainly due to lower dividends received from Telkomsel in line with its lower profit, absence of dividends from Airtel and higher capital expenditure, partly mitigated by higher operating cash flow.

**SECTION 1 : GROUP****NET FINANCE EXPENSE**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Net interest expense</b>						
- Interest expense under SFRS(I) 16	(19)	-	nm	(38)	-	nm
- Other interest expense	(102)	(97)	4.9	(199)	(189)	4.8
	<b>(121)</b>	<b>(97)</b>	<b>24.3</b>	<b>(237)</b>	<b>(189)</b>	<b>25.1</b>
- Interest income	2	2	-10.0	4	4	5.3
	<b>(119)</b>	<b>(95)</b>	<b>25.0</b>	<b>(233)</b>	<b>(186)</b>	<b>25.5</b>
<b>Other finance income</b>						
- Dividend income from Southern Cross	-	-	-	11	13	-16.9
- Investment income <sup>(1)</sup>	132	-	nm	187	*	nm
- Other foreign exchange gain	3	*	nm	3	6	-48.4
- Net fair value gain/ (loss) <sup>(2)</sup>	2	1	46.2	(1)	2	nm
	<b>137</b>	<b>2</b>	<b>@</b>	<b>200</b>	<b>22</b>	<b>@</b>
<b>Net finance income/ (expense)</b> <i>(ex-SFRS(I) 16)</i>	<b>18</b> 37	<b>(94)</b> (94)	<b>nm</b> <i>nm</i>	<b>(33)</b> 5	<b>(164)</b> (164)	<b>-79.9</b> <i>nm</i>

**Notes:**

- (1) Comprise mainly dividend and other income from 'Fair Value through Other Comprehensive Income' investments.
- (2) Comprise mainly adjustments for hedging instruments and other financial instruments including options measured at fair values under SFRS(I) 9, *Financial Instruments*.

“\*” denotes less than +/- S\$0.5 million and “@” denotes more than +/- 500%.

Net finance income was recorded in the current quarter as compared to net finance expense in the last corresponding quarter, mainly due to accrual of income from its investment<sup>3</sup> as a pre-IPO shareholder in Airtel Africa.

Interest expense rose 24% on increase in average borrowings (including lease liabilities).

<sup>3</sup> This income has been recognised as part of “Share of results of associates and joint ventures” in “SGX Appendix 7.2 Announcement”.

**SECTION 1 : GROUP****EXCEPTIONAL ITEMS (POST-TAX) <sup>(1)</sup>**

	Quarter		Chge %	Half Year		Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Dilution gain on Airtel	-	-	-	87	-	nm
Gain on sale of property	1	-	nm	6	106	-94.0
Staff restructuring costs	(8)	(53)	-85.6	(30)	(82)	-63.7
Others <sup>2</sup>	(4)	(10)	-62.1	(4)	(10)	-62.1
<b>Group exceptional items</b>	<b>(11)</b>	<b>(64)</b>	<b>-83.3</b>	<b>60</b>	<b>13</b>	<b>362.8</b>
Share of Airtel's one-off items (pre-tax)	(1,967)	-	nm	(2,078)	10	nm
Share of associates' exceptional items	(1,967)	-	nm	(2,078)	10	nm
<b>Group net exceptional (losses)/ gains (pre-tax)</b>	<b>(1,978)</b>	<b>(64)</b>	<b>@</b>	<b>(2,018)</b>	<b>23</b>	<b>nm</b>
<b>Exceptional tax</b>						
Share of tax on Airtel's one-off items	572	-	nm	574	7	@
Other tax credit	*	16	nm	6	21	-73.8
	<b>573</b>	<b>16</b>	<b>@</b>	<b>580</b>	<b>28</b>	<b>@</b>
<b>Group net exceptional (losses)/ gains (post-tax)</b>	<b>(1,405)</b>	<b>(48)</b>	<b>@</b>	<b>(1,439)</b>	<b>51</b>	<b>nm</b>

**Notes:**

- (1) Exceptional items are material non-recurring items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.  
(2) Others comprised dilution gain on Globe and other provisions.

“\*” denotes less than +/- S\$0.5 million and “@” denotes more than +/-500%.

In the quarter, Airtel recorded approximately Rs.285 billion (Singtel share: S\$1.93 billion) (pre-tax) as provision for regulatory demands arising from an adverse ruling by the Indian Supreme Court on the definition of Adjusted Gross Revenue which forms the basis for the payment of license fee and spectrum usage charges. Airtel, together with the other operators in India, continues to make representations to the Indian government for relief. Other exceptional items included incremental provision for derivative liabilities relating to customary indemnities provided to a group of investors of Airtel Africa partially offset by recognition of a negative goodwill recognised on business combination with Tata Teleservices and some reversals from re-assessment of levies.

**SECTION 1 : GROUP****TAX EXPENSE**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Income tax expense</b>						
Optus	52	64	-19.3	100	137	-26.8
Singtel and other subsidiaries	47	49	-4.3	100	113	-10.9
<b>Total</b> (a)	<b>98</b>	<b>113</b>	<b>-12.9</b>	<b>201</b>	<b>250</b>	<b>-19.6</b>
Share of associates' tax expense/ (credit) (b)	130	(47)	nm	216	(15)	nm
Withholding and dividend distribution taxes on associates' dividend income <sup>(1)</sup>	22	36	-40.0	112	138	-19.1
<b>Total</b>	<b>250</b>	<b>102</b>	<b>144.3</b>	<b>529</b>	<b>373</b>	<b>41.6</b>
Profit before exceptional items and tax	981	811	20.9	1,828	1,810	1.0
Exclude:						
Share of associates' pre-tax profits	(442)	(330)	34.1	(801)	(746)	7.4
<b>Adjusted pre-tax profit</b> (c)	<b>538</b>	<b>481</b>	<b>11.9</b>	<b>1,027</b>	<b>1,064</b>	<b>-3.5</b>
<b>Effective tax rate of Singtel and subsidiaries (a)/(c)</b>	<b>18.3%</b>	<b>23.4%</b>		<b>19.6%</b>	<b>23.5%</b>	
Share of associates' pre-tax profits (d)	442	330	34.1	801	746	7.4
<b>Effective tax rate of associates (b)/(d)</b>	<b>29.3%</b>	<b>-14.1%</b>		<b>27.0%</b>	<b>-1.9%</b>	

**Note:**

(1) Withholding and Indian dividend distribution taxes are deducted at source when dividends are remitted by the overseas associates. For accounting purposes, the dividend income and related withholding or dividend distribution taxes are accrued when declared by the associates. 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 on **page 13**.

The Group's tax expense increased mainly due to lower deferred tax credits from Airtel as Airtel had recognised a significant deferred tax credit in respect of its Direct-To-Home business in the September quarter last year.

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

	As at		
	30 Sep	30 Jun	31 Mar
	2019	2019	2019
	S\$ m	S\$ m	S\$ m
Current assets (excluding cash)	6,371	6,295	6,565
Cash and bank balances	551	579	513
Right-Of-Use assets	2,126	2,159	-
Other non-current assets	40,020	41,340	41,837
<b>Total assets</b>	<b>49,067</b>	<b>50,373</b>	<b>48,915</b>
Current liabilities	10,602	9,350	8,794
Non-current liabilities	10,917	11,078	10,311
<b>Total liabilities</b>	<b>21,518</b>	<b>20,427</b>	<b>19,105</b>
<b>Net assets</b>	<b>27,549</b>	<b>29,946</b>	<b>29,810</b>
Share capital	4,127	4,127	4,127
Retained earnings	25,373	27,784	27,513
Currency translation reserve (loss)	(1,657)	(1,670)	(1,768)
Other reserves	(254)	(262)	(35)
<b>Equity attributable to shareholders</b>	<b>27,590</b>	<b>29,980</b>	<b>29,838</b>
Minority interests	(41)	(34)	(28)
	<b>27,549</b>	<b>29,946</b>	<b>29,810</b>

Total assets declined S\$1.31 billion from a quarter ago mainly due to the decrease in carrying value of Airtel following its net loss in the quarter. Total liabilities grew S\$1.09 billion from a quarter ago on increase in borrowings.

The currency translation reserve (loss) in equity decreased by S\$13 million from a quarter ago. This was due mainly to translation gains from the Group's US Dollar denominated subsidiaries, AIS, Intouch and Telkomsel partly offset by translation losses for Optus and Airtel.

**SECTION 1 : GROUP****CAPITAL MANAGEMENT**

	As at		
	30 Sep 2019 S\$ m	30 Jun 2019 S\$ m	31 Mar 2019 S\$ m
Gross debt			
Current debt	4,537	3,068	1,880
Non-current debt	9,573	9,699	8,784
Gross debt as reported in statement of financial position	<b>14,110</b>	<b>12,766</b>	<b>10,664</b>
Related net hedging asset <sup>(1)</sup>	(448)	(338)	(268)
<b>Hedged gross debt</b>	<b>13,662</b>	<b>12,428</b>	<b>10,396</b>
Less: Cash and bank balances	(551)	(579)	(513)
<b>Net debt</b>	<b>13,111</b>	<b>11,849</b>	<b>9,883</b>
<b>Gross debt gearing ratio <sup>(2)</sup></b>	<b>33.2%</b>	<b>29.3%</b>	<b>25.9%</b>
<b>Net debt gearing ratio</b>	<b>32.2%</b>	<b>28.4%</b>	<b>24.9%</b>
<b>Net debt to EBITDA and share of associates' pre-tax profits <sup>(3)</sup></b>	<b>2.08X</b>	<b>1.92X</b>	<b>1.59X</b>
<b>Interest cover:</b>			
<b>EBITDA and share of associates' pre-tax profits/ net interest expense <sup>(4)</sup></b>	<b>13.5X</b>	<b>13.5X</b>	<b>16.2X</b>
<b>Singtel credit ratings</b>			
S&P Global Ratings	A+	A+	A+
Moody's Investors Service	A1	A1	A1

**Notes:**

- (1) The net hedging asset 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.
- (3) Net debt to EBITDA and share of associates' pre-tax profits is calculated on an annualised basis.
- (4) Net interest expense refers to interest expense less interest income.

Net debt increased by S\$1.26 billion from a quarter ago to S\$13.11 billion as at 30 September 2019. Consequently, net debt gearing ratio increased to 32.2% from 28.4% a quarter ago.

**DIVIDENDS**

On 13 November 2019, the Directors approved an interim ordinary dividend of 6.8 cents (H1 FY2019: 6.8 cents) per share, totalling approximately S\$1.11 billion and representing a payout ratio of 85% of underlying net profit for the current half year.

The financial statements for the half year ended, and as at, 30 September 2019 do not reflect this interim dividend. The dividend will be accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the quarter ending 31 December 2019.

In August 2019, Singtel paid a final dividend of 10.7 cents per share totalling S\$1.75 billion in respect of the previous financial year ended 31 March 2019.

## SECTION 1 : GROUP

## CASH FLOW

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating cash flow before dividends from associates	957	823	16.3	1,799	1,688	6.6
Dividends/ Distributions received from associates (net of withholding tax)	188	207	-9.1	1,097	1,273	-13.9
Net cash inflow from operating activities	1,145	1,030	11.2	2,896	2,961	-2.2
Net cash outflow for investing activities	(496)	(520)	-4.5	(1,752)	(938)	86.7
Net cash outflow for financing activities	(672)	(429)	56.7	(1,098)	(1,848)	-40.6
Net change in cash and cash equivalents	(23)	82	nm	45	175	-74.2
Exchange effects on cash and cash equivalents	(5)	*	nm	(7)	8	nm
Cash and cash equivalents at beginning of period	579	625	-7.3	513	525	-2.3
<b>Cash and cash equivalents at end of period</b>	<b>551</b>	<b>707</b>	<b>-22.1</b>	<b>551</b>	<b>707</b>	<b>-22.1</b>
<b>Group cash capex</b>						
Optus	249	238	4.8	575	515	11.6
Singtel and other subsidiaries	126	116	8.8	329	304	8.0
	<b>375</b>	<b>354</b>	<b>6.1</b>	<b>903</b>	<b>819</b>	<b>10.3</b>
<b>Group free cash flow (before associates' dividends/ distributions)</b>	<b>582</b>	<b>469</b>	<b>24.0</b>	<b>896</b>	<b>869</b>	<b>3.1</b>
Dividends/ Distributions received from associates (net of withholding tax)	188	207	-9.1	1,097	1,273	-13.9
<b>Group free cash flow</b>	<b>770</b>	<b>676</b>	<b>13.8</b>	<b>1,993</b>	<b>2,142</b>	<b>-7.0</b>

“\*” denotes less than +/- S\$0.5 million.

Cash Dividends/ Distributions from Associates/ Joint Ventures	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Telkomsel <sup>(1)</sup>	-	-	-	802	954	-16.0
AIS <sup>(2)</sup>	114	109	4.9	212	211	0.6
Globe <sup>(3)</sup>	40	36	10.3	77	72	6.4
Intouch <sup>(4)</sup>	40	38	4.7	73	79	-6.6
Airtel <sup>(5)</sup>	-	30	nm	-	30	nm
<b>Regional associates</b>	<b>194</b>	<b>213</b>	<b>-9.1</b>	<b>1,164</b>	<b>1,346</b>	<b>-13.6</b>
<b>Other associates</b>						
NetLink NBN Trust/ NetLink Trust <sup>(6)</sup>	-	-	-	24	31	-24.6
Southern Cross <sup>(7)</sup>	-	-	-	11	10	3.8
Others	16	14	14.4	20	21	-4.2
	16	14	14.4	55	63	-13.0
<b>Total (before tax)</b>	<b>210</b>	<b>227</b>	<b>-7.6</b>	<b>1,219</b>	<b>1,409</b>	<b>-13.5</b>
Withholding taxes	(22)	(20)	7.9	(122)	(136)	-10.2
<b>Dividends/ Distributions received from associates/ joint ventures (net of withholding tax)</b>	<b>188</b>	<b>207</b>	<b>-9.1</b>	<b>1,097</b>	<b>1,273</b>	<b>-13.9</b>

## SECTION 1 : GROUP

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### Notes: Dividend policy and receipts after 30 September 2019

- (1) Telkomsel declared a full year ordinary dividend of 95% on its FY2018 net profit (FY2017: 95%). On 14 November 2019, Telkomsel declared an interim dividend for FY2019 and the Group's share is approximately S\$104 million.
- (2) AIS declared a full year dividend of 71% on its FY2018 net profit (FY2017: 70%).
- (3) Globe's dividend policy is to pay 60%-75% of prior year's core net profit. Globe will pay its next quarterly dividend of PHP 22.75 per common share in December 2019. The Group's share of this dividend is approximately S\$38 million.
- (4) Intouch's policy is to pass through dividends received from its associates and subsidiaries after the deduction of operating expenses, subject to its financial needs or unless the payment of dividends would materially affect its operations.
- (5) Airtel does not have a fixed dividend policy.
- (6) NetLink NBN Trust's policy is to distribute 100% of its cash available for distribution (CAFD), which includes distributions from its wholly-owned subsidiary NetLink Trust ("**NLT**"). NLT's distribution policy is to distribute at least 90% of its distributable income to NetLink NBN Trust after setting aside reserves and provisions for, amongst others, future capital expenditure, debt repayment and working capital as may be required. On 1 November 2019, NetLink NBN Trust declared a distribution of S\$0.0252 per unit for its distribution period from 1 April 2019 to 30 September 2019 which will be payable on 26 November 2019. The Group's share of this distribution is approximately S\$24 million.
- (7) Southern Cross Cables Holdings Limited, part of the Southern Cross consortium, does not have a fixed dividend policy.

The Group's free cash flow grew 14% to S\$770 million on higher operating cash flow partly offset by higher capital expenditure.

Net cash inflow from operating activities (before associates' dividend receipts) for the quarter rose 16% to S\$957 million mainly due to lower operating lease expenses and lower tax payments. Dividends from the associates decreased on absence of dividend from Airtel. Consequently, total cash flow from operations grew 11% to S\$1.15 billion.

Net cash outflow for investing activities was S\$496 million. Capital expenditure comprised S\$249 million (A\$264 million) for Optus and S\$126 million for the rest of the Group. In Optus, capital investments in the quarter included A\$145 million for mobile network and A\$119 million for fixed and other core infrastructure. The other major capital investments for the rest of the Group included S\$40 million for mobile network and S\$86 million for fixed and other core infrastructure.

Net cash financing outflow of S\$672 million in the quarter mainly comprised of final dividend payment of S\$1.75 billion in August 2019 and S\$116 million in interest payments for lease liabilities and other borrowings, partly offset by net increase in borrowings of S\$1.19 billion.

**SECTION 2 : SINGAPORE CONSUMER****SINGAPORE CONSUMER**

**Singapore Consumer** offers mobile, fixed broadband, voice, pay television, content and digital services, as well as equipment sales in Singapore.

**SUMMARY INCOME STATEMENT**

**For The Second Quarter And Half Year Ended 30 September 2019**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 <sup>(1)</sup> S\$ m		2019 S\$ m	2018 <sup>(1)</sup> S\$ m	
<b>Operating revenue</b>	<b>563</b>	<b>554</b>	<b>1.7</b>	<b>1,081</b>	<b>1,099</b>	<b>-1.7</b>
Operating expenses	(382)	(375)	2.1	(719)	(731)	-1.6
	181	179	1.1	362	368	-1.8
Other income <sup>(2)</sup>	11	4	146.5	17	11	64.8
<b>EBITDA</b>	<b>191</b>	<b>183</b>	<b>4.5</b>	<b>379</b>	<b>379</b>	<b>0.1</b>
<b>- margin</b>	<b>34.0%</b>	<b>33.1%</b>		<b>35.1%</b>	<b>34.5%</b>	
Depreciation & amortisation	(65)	(62)	5.8	(130)	(123)	6.1
<b>EBIT</b>	<b>126</b>	<b>121</b>	<b>3.8</b>	<b>249</b>	<b>256</b>	<b>-2.8</b>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 <sup>(1)</sup> S\$ m		2019 S\$ m	2018 <sup>(1)</sup> S\$ m	
Mobile service	244	257	-5.2	492	522	-5.7
Sale of equipment	162	131	24.0	277	233	18.8
Leasing revenue <sup>(3)</sup>	2	*	nm	4	*	nm
Mobile	408	388	5.2	773	755	2.4
Fixed broadband <sup>(4)</sup>	64	61	4.7	127	123	3.4
Residential Pay TV	49	66	-25.1	98	131	-25.5
Fixed voice	28	32	-12.0	57	64	-11.8
Others <sup>(5)</sup>	14	7	95.9	26	25	3.6
<b>Operating revenue</b>	<b>563</b>	<b>554</b>	<b>1.7</b>	<b>1,081</b>	<b>1,099</b>	<b>-1.7</b>
Cost of sales	205	187	9.2	369	357	3.4
Selling & administrative	72	73	-1.1	141	145	-2.4
Staff costs	54	59	-8.3	104	114	-8.9
Traffic expenses	43	50	-13.2	88	102	-13.9
Repair & maintenance	15	13	15.9	27	25	7.6
Others	(6)	(6)	-10.9	(10)	(13)	-17.6
<b>Operating expenses</b>	<b>382</b>	<b>375</b>	<b>2.1</b>	<b>719</b>	<b>731</b>	<b>-1.6</b>
Direct costs <sup>(6)</sup>	197	179	9.8	351	346	1.3
Indirect costs <sup>(6)</sup>	186	196	-5.1	368	384	-4.2
<b>Operating expenses</b>	<b>382</b>	<b>375</b>	<b>2.1</b>	<b>719</b>	<b>731</b>	<b>-1.6</b>

## SECTION 2 : SINGAPORE CONSUMER

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### Notes:

- (1) Comparatives have been adjusted to exclude certain digital businesses (mainly Singtel Dash) transferred to 'International Group' from 1 April 2019.
- (2) Include trade foreign currency exchange differences, rental income, gain/loss on disposal of scrap copper and property, plant and equipment, and other miscellaneous recoveries. The net trade foreign exchange loss amounted to S\$2 million (Q2 FY2019: S\$1 million) for the quarter and S\$2 million (H1 FY2019: S\$1 million) for the half year ended 30 September 2019.
- (3) Comprise revenue from lease of handsets to mobile customers under 2-year contracts.
- (4) Include sale of broadband equipment.
- (5) Include digital business, energy reselling, and revenues from mobile network cabling works and projects.
- (6) Direct costs comprise mainly cost of sales, traffic expenses and other expenses directly attributable to revenue earned. Indirect costs refer to expenses not directly attributable to revenue earned.

## FINANCIAL PERFORMANCE

### For The Second Quarter Ended 30 September 2019

Singapore Consumer recorded higher operating revenue and earnings this quarter despite intense competition.

Operating revenue rose 1.7% driven by a strong 24% increase in equipment sales on higher mobile connections following the launch of premium handsets. Mobile service revenue, however, fell 5.2% on lower voice usage (local, IDD and roaming) from continued voice to data substitution, data price pressures, and the flow through impact from amortisation of higher handset subsidies<sup>4</sup>.

Fixed broadband revenue grew 4.7% on increased take-up of higher speed fibre plans as well as higher sales of WiFi mesh equipment.

Pay TV revenue in the last corresponding quarter was boosted by revenue from 2018 FIFA World Cup. Excluding World Cup, Pay TV revenue was flat.

Operating expenses remained well controlled with decline in indirect costs. TV content costs, excluding World Cup, were down 13% through contract negotiations and rationalisation of content.

With effective cost management and higher other income on receipt of share of infrastructure costs, EBITDA grew 4.5%.

EBIT was up 3.8% after including higher depreciation mainly from right-of-use assets.

## BUSINESS HIGHLIGHTS

Postpaid customer base grew by 30,000<sup>5</sup> from a quarter ago as GOMO and SIM-only plans continued to gain traction. Prepaid customer base increased by 8,000 this quarter, despite increasing prepaid to postpaid migrations.

Singtel expanded its TV line-up as the popular TVB channels were made available to Singtel customers for the first time. The residential pay TV customer base grew for the second consecutive quarter, up 1,000 this quarter. The number of Cast OTT and Singtel TV Go users grew by 32,000 from a quarter ago to 162,000 as at 30 September 2019.

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<sup>4</sup> Handset subsidies are amortised against mobile service revenue over the term of the mobile customer contract.

<sup>5</sup> Based on total product view (i.e. include Enterprise mobile).

## **SECTION 2 : SINGAPORE CONSUMER**

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Singtel's digital transformation efforts of its flagship retail store were recognised, winning the Most Innovative Retail Concept Award at the Federation of Asia-Pacific Retailers Associations Awards 2019.

**SECTION 3 : AUSTRALIA CONSUMER****AUSTRALIA CONSUMER**

Australia Consumer offers mobile, fixed broadband, voice and equipment sales in Australia.

**SUMMARY INCOME STATEMENT**

For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$m	2018 A\$m		2019 A\$m	2018 A\$m	
<b>Operating revenue</b>	<b>1,918</b>	<b>1,830</b>	<b>4.8</b>	<b>3,857</b>	<b>3,622</b>	<b>6.5</b>
Operating expense	1,262	1,292	-2.3	2,577	2,519	2.3
	656	538	22.0	1,279	1,103	16.0
Other income	28	36	-22.0	54	68	-20.5
<b>EBITDA</b>	<b>684</b>	<b>574</b>	<b>19.2</b>	<b>1,333</b>	<b>1,170</b>	<b>13.9</b>
<b>- margin</b>	<b>35.7%</b>	<b>31.3%</b>		<b>34.6%</b>	<b>32.3%</b>	
Depreciation & amortisation	388	325	19.6	800	649	23.1
<b>EBIT</b>	<b>296</b>	<b>249</b>	<b>18.7</b>	<b>533</b>	<b>521</b>	<b>2.4</b>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$m	2018 A\$m		2019 A\$m	2018 A\$m	
Incoming	55	54	3.5	109	107	2.4
Outgoing	810	844	-4.0	1,612	1,707	-5.6
<b>Total Mobile Service</b>	<b>866</b>	<b>898</b>	<b>-3.6</b>	<b>1,721</b>	<b>1,814</b>	<b>-5.1</b>
Equipment	384	433	-11.3	885	813	8.9
Leasing revenue <sup>(1)</sup>	55	24	125.5	105	41	156.2
<b>Total Mobile Revenue</b>	<b>1,305</b>	<b>1,355</b>	<b>-3.7</b>	<b>2,711</b>	<b>2,668</b>	<b>1.6</b>
Retail Fixed On-net	114	174	-34.5	249	353	-29.6
Retail Fixed Off-net <sup>(2)</sup>	348	146	138.1	599	290	106.4
<b>Total Retail Fixed <sup>(3)</sup></b>	<b>462</b>	<b>320</b>	<b>44.3</b>	<b>848</b>	<b>644</b>	<b>31.7</b>
<b>Total Wholesale &amp; Fleet Fixed <sup>(4)</sup></b>	<b>152</b>	<b>155</b>	<b>-2.0</b>	<b>298</b>	<b>311</b>	<b>-4.1</b>
<b>Operating revenue</b>	<b>1,918</b>	<b>1,830</b>	<b>4.8</b>	<b>3,857</b>	<b>3,622</b>	<b>6.5</b>

**Notes:**

- (1) Comprise revenue from lease of handsets to mobile customers under 2-year contracts. Handset leasing plans are no longer offered from July 2019.
- (2) Includes NBN migration and site preparation revenues of A\$187 million (Q2 FY2019: A\$23 million) for the quarter and A\$284 million (H1 FY2019: A\$47 million) for the half year ended 30 September 2019
- (3) Include small-sized businesses.
- (4) Include medium-sized businesses.

**SECTION 3 : AUSTRALIA CONSUMER**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$m	2018 A\$m		2019 A\$m	2018 A\$m	
Cost of sales	514	488	5.3	1,113	935	19.1
Selling & administrative	294	373	-21.1	570	735	-22.4
Traffic expenses	263	225	16.9	500	436	14.8
Staff costs	146	150	-2.4	291	327	-11.1
Repair & maintenance	29	40	-28.3	74	69	6.9
Others	16	16	-1.0	29	18	66.0
<b>Operating expenses</b>	<b>1,262</b>	<b>1,292</b>	<b>-2.3</b>	<b>2,577</b>	<b>2,519</b>	<b>2.3</b>
Direct costs <sup>(1)</sup>	826	777	6.3	1,710	1,490	14.8
Indirect costs <sup>(1)</sup>	437	516	-15.3	867	1,029	-15.7
<b>Operating expenses</b>	<b>1,262</b>	<b>1,292</b>	<b>-2.3</b>	<b>2,577</b>	<b>2,519</b>	<b>2.3</b>

**Note:**

(1) Direct costs comprise mainly cost of sales, traffic expenses and other expenses directly attributable to revenue earned. Indirect costs refer to expenses not directly attributable to revenue earned.

**FINANCIAL PERFORMANCE****For The Second Quarter Ended 30 September 2019**

Operating revenue for this quarter grew A\$88 million or 4.8%, lifted by higher NBN migration revenues on record migrations.

Mobile revenue declined 3.7% as both service and equipment revenues were lower. Mobile price increases were introduced in August 2019. Therefore, the full impact of the price uplift is expected only in the later quarters as the market adapts to the new pricing.

An increase in the mix of SIM-only plans and data price competition continued to impact mobile service ARPU. However, with the recent price increases, ARPU stabilised against the preceding June quarter.

Total Retail Fixed Revenue grew 44% driven by the increase in NBN migration revenues and strong NBN customer growth.

Total operating expenses were lower by 2.3%. Direct costs increased 6.3% mainly due to higher NBN access costs while indirect costs declined 15% due to strong cost controls and lower headcount.

EBITDA and EBIT each grew by 19% from higher NBN migration revenues.

## SECTION 3 : AUSTRALIA CONSUMER

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### BUSINESS HIGHLIGHTS

Postpaid handset customer base grew by 29,000<sup>6</sup> in the quarter with branded handset customer base up 30,000.

Optus continued to roll out 5G sites with 300 5G sites to date and remains on track to deliver 1,200 5G sites by March 2020.

Optus Sport successfully launched Season 4 of the 2019/20 English Premier League with audience engagement increasing 42% compared to the same quarter last year.

Fixed NBN customer base grew by 220,000 customers from a year ago and accounted for 65% (Q2 FY2019: 43%) of total Fixed broadband customers base as at 30 September 2019.

Optus introduced the NBN Concierge Program which has improved customers' NBN migration experience and led to a record number of 80,000 NBN customers being connected this quarter.

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<sup>6</sup> Including Enterprise customers, Optus' total postpaid handset customer base grew 29,800.

## SECTION 4 : GROUP ENTERPRISE

## GROUP ENTERPRISE

**Group Enterprise** provides comprehensive and integrated ICT solutions to enterprise customers in Singapore, Australia, U.S.A., Europe and the region, covering mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT services and professional consulting.

## SUMMARY INCOME STATEMENT

For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Operating revenue</b>	<b>1,489</b>	<b>1,573</b>	<b>-5.3</b>	<b>2,931</b>	<b>3,092</b>	<b>-5.2</b>
Operating expenses	(1,113)	(1,143)	-2.6	(2,154)	(2,238)	-3.7
Other income <sup>(1)</sup>	376	430	-12.5	777	854	-9.0
	13	10	28.2	29	35	-15.1
<b>EBITDA</b>	<b>389</b>	<b>440</b>	<b>-11.5</b>	<b>806</b>	<b>889</b>	<b>-9.3</b>
<b>- margin</b>	<b>26.1%</b>	<b>28.0%</b>		<b>27.5%</b>	<b>28.7%</b>	
Depreciation & amortisation	(186)	(151)	23.9	(351)	(300)	16.7
<b>EBIT</b>	<b>203</b>	<b>289</b>	<b>-29.9</b>	<b>456</b>	<b>588</b>	<b>-22.5</b>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Managed Services <sup>(2)</sup>	426	457	-6.7	829	882	-6.0
Business Application Services <sup>(3)</sup>	140	121	15.9	271	240	12.6
Cyber Security	136	138	-1.6	256	252	1.7
Communications Engineering <sup>(4)</sup>	29	29	-0.7	56	50	13.9
<b>ICT</b>	<b>731</b>	<b>745</b>	<b>-1.8</b>	<b>1,413</b>	<b>1,424</b>	<b>-0.8</b>
<i>Digital revenue <sup>(5)</sup> as % of ICT revenue</i>	<i>41%</i>	<i>38%</i>		<i>41%</i>	<i>37%</i>	
Mobile service	168	197	-15.1	347	399	-13.1
Sale of equipment	93	86	7.1	181	178	1.6
Mobile	260	284	-8.4	527	577	-8.6
Data and Internet <sup>(6)</sup>	384	410	-6.3	762	815	-6.5
Fixed voice	98	120	-18.2	201	244	-17.6
Others <sup>(7)</sup>	16	14	9.0	29	32	-11.2
<b>Carriage</b>	<b>758</b>	<b>828</b>	<b>-8.4</b>	<b>1,519</b>	<b>1,668</b>	<b>-8.9</b>
<b>Operating revenue</b>	<b>1,489</b>	<b>1,573</b>	<b>-5.3</b>	<b>2,931</b>	<b>3,092</b>	<b>-5.2</b>
<b>ICT as % of total revenue</b>	<b>49%</b>	<b>47%</b>		<b>48%</b>	<b>46%</b>	

**Notes:**

(1) Include trade foreign exchange differences, rental income, gain/loss on disposal of scrap copper, property, plant and equipment, and other miscellaneous recoveries. The net trade foreign exchange gain amounted to S\$1 million (Q2 FY2019: S\$1 million of loss) for the quarter and S\$1 million (H1 FY2019: S\$0.4 million of loss) for the half year ended 30 September 2019.

(2) Include facility management, managed and network services, and value-added reselling and services.

## SECTION 4 : GROUP ENTERPRISE

- (3) Include applications management services and outsourcing, system integration and business process outsourcing.
- (4) Include telecommunications infrastructure, aviation communications, secured communications, video technology, sensors, as well as command and control systems.
- (5) Refers to services provided using digitalisation methods and technologies which include cyber, cloud, analytics, mobility, interactive (UI/UX), as well as artificial intelligence (AI), Internet of Things (IoT) and blockchain.
- (6) Include local leased circuits, international leased circuits, fixed broadband, Singtel Internet exchange and satellite.
- (7) Include TV, facility rentals and other miscellaneous revenue.

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales	443	454	-2.5	851	864	-1.5
Staff costs	376	373	0.8	732	742	-1.3
Selling & administrative	143	160	-10.8	276	314	-12.3
Traffic expenses	115	124	-7.4	226	251	-9.7
Repair, maintenance and others	38	33	15.0	69	67	3.3
<b>Operating expenses</b>	<b>1,113</b>	<b>1,143</b>	<b>-2.6</b>	<b>2,154</b>	<b>2,238</b>	<b>-3.7</b>
Direct costs <sup>(1)</sup>	736	748	-1.6	1,426	1,444	-1.3
Indirect costs <sup>(1)</sup>	378	395	-4.5	728	793	-8.2
<b>Operating expenses</b>	<b>1,113</b>	<b>1,143</b>	<b>-2.6</b>	<b>2,154</b>	<b>2,238</b>	<b>-3.7</b>

**Note:**

- (1) Direct costs comprise mainly cost of sales, traffic expenses, and other expenses directly attributable to revenue earned. Indirect costs refer to expenses not directly attributable to revenue earned.

Please refer to **Appendix 5** for the contribution of Group Enterprise by region.

## FINANCIAL PERFORMANCE

### For The Second Quarter Ended 30 September 2019

Singapore Enterprise<sup>7</sup> contributed 82% (Q2 FY2019: 77%) and 97% (Q2 FY2019: 87%) to Group Enterprise's operating revenue and EBITDA respectively.

Overall operating revenue fell 5.3% amid a cautious business environment and increased competition. Australia Enterprise faced challenging market dynamics, legacy product declines and pricing pressures as well as weaker demand especially in the financial sector. Excluding Australia, operating revenue grew 1.0%.

ICT revenue fell mainly on lower product sales in Australia as more customers moved to cloud services. In Singapore, ICT revenue grew a strong 5.9%, driven by systems integration and applications development projects led by NCS. ICT contributed 49% of Group Enterprise's overall revenue this quarter, up from 47% in the same quarter last year.

<sup>7</sup> Refers to all geographies that Group Enterprise has operations other than Australia.

## SECTION 4 : GROUP ENTERPRISE

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Mobile service revenue declined steeply at 15% on stiff competition in mobile services across Singapore and Australia and lower voice usage (local, IDD and roaming).

Data and Internet revenue fell due to competitive pricing pressures and lower volumes.

Fixed voice revenue decreased on steep price erosion, lower call usage and declines in switched voice business as enterprise customers continued to migrate to lower cost IP based solutions. The impact of the decline was partially mitigated by lower outpayment costs.

Overall operating expenses fell 2.6%. Direct costs were lower in line with decreased sales volumes. Indirect costs declined with effective cost management, driven by process redesign, automation, digitalisation and resource optimisation. The use of predictive analytics in our Enterprise networks has improved the speed of incident resolution and reduced the need for manual intervention, while strategic procurement initiatives have led to optimised spending via consolidation of vendors.

EBITDA fell 12% mainly from Australia. Excluding Australia, EBITDA declined 1.7% due to carriage erosion, higher ICT mix and lower prices on renewal of major public sector contracts in Singapore.

EBIT was down 30% after including higher depreciation mainly arising from right-of-use assets.

### BUSINESS HIGHLIGHTS

Digital revenue contributed 41% (Q2 FY2019: 38%) of ICT revenue as Group Enterprise pursues its strategy to be a key enabler of smart cities and digital enterprises through provision of data analytics, artificial intelligence, IoT and other digital technologies.

Singtel was awarded the Singapore IoT Service Provider of the year at the 2019 Frost & Sullivan Asia-Pacific Best Practices Awards, establishing its strong leadership in the Singapore IoT service provider space.

Singtel maintained its leadership position in Asia Pacific with market shares at 19.9% in the International IPVPN market, 14.2% in the International IPLC market, 21.3% in the International E-Line market, 14.6% in the International E-VPN market and 83.1% in the Singapore Domestic data enterprise market<sup>8</sup>.

Singtel invested in Southern Cross NEXT cable investment. Together with the newly completed INDIGO submarine cable system, the enhanced Southern Cross cable ecosystem will be a new data superhighway connecting Southeast Asia to the US, thus providing greater network diversity. The new cable system will enable Singtel and Optus to accelerate the roll-out of next-generation technologies that rely on low latency and high-bandwidth connectivity, reinforcing the Group's position as one of the leading providers of international data services in the region.

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<sup>8</sup> Based on IDC Telecom Services Database Asia-Pacific 2H 2018 (July 2019). Singapore Domestic Data enterprise market excludes Internet Access.

## SECTION 4 : GROUP ENTERPRISE

## SUPPLEMENTARY INFORMATION

NCS <sup>(1)</sup>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Managed Services <sup>(2)</sup>	274	274	0.2	526	506	3.9
Business Application Services <sup>(3)</sup>	145	126	14.6	278	250	11.2
Communications Engineering <sup>(4)</sup>	51	44	16.7	90	81	10.8
Cyber Security	40	37	8.6	76	67	12.8
<b>Operating revenue</b>	<b>510</b>	<b>481</b>	<b>6.1</b>	<b>969</b>	<b>904</b>	<b>7.2</b>
<i>Digital revenue <sup>(5)</sup> as % of total revenue</i>	<i>37%</i>	<i>28%</i>		<i>36%</i>	<i>28%</i>	
<i>Gross margin (%) <sup>(6)</sup></i>	<i>16%</i>	<i>17%</i>		<i>16%</i>	<i>18%</i>	
<b>EBITDA</b>	<b>66</b>	<b>58</b>	<b>15.1</b>	<b>132</b>	<b>124</b>	<b>6.8</b>
<b>EBIT</b>	<b>47</b>	<b>41</b>	<b>15.4</b>	<b>94</b>	<b>91</b>	<b>3.4</b>

**Notes:**

- (1) Based on the standalone results of NCS group, which include revenue earned as a vendor to the other Singtel entities in the Group. Certain products and services purchased by the other Singtel entities from NCS are subsequently sold to third parties.
- (2) Include facility management, managed and network services, and value-added reselling and services.
- (3) Include applications management services and outsourcing, system integration and business process outsourcing.
- (4) Include telecommunications infrastructure, aviation communications, secured communications, video technology, sensors, as well as command and control systems.
- (5) Refers to services provided using digitalisation methods and technologies which include cyber, cloud, analytics, mobility, interactive (UI/UX), as well as artificial intelligence (AI), Internet of Things (IoT) and blockchain.
- (6) Gross margin refers to revenue less direct operating expenses and related depreciation & amortisation charges.

NCS delivered a record order book of S\$3.3 billion as of 30 September 2019, with new orders from multiple customers. The key wins for the quarter included core infrastructure services for the Government Technology Agency, application maintenance for the Singapore Customs and contact center services for another government agency.

Operating revenue grew 6.1% across all businesses, mainly driven by implementation of systems integration and applications development projects, as well as equipment sales.

Digital revenue accounted for 37% (Q2 FY2019: 28%) of total operating revenue, mainly from managed services business. This is in line with NCS' continued focus in driving digital businesses through strategic partnerships with customers on business-transformation projects.

In an effort to equip ICT professionals with the relevant skills, NCS partners with the Institute of Systems Science at NUS (NUS-ISS) to train over 1,000 Digital ICT talents over the next two years. This will provide NCS' employees with training opportunities to gain professional certifications and a Master of Technology degree from NUS-ISS.

Both EBITDA and EBIT improved as a result of higher operating revenue and strong execution.

**SECTION 4 : GROUP ENTERPRISE****Trustwave** <sup>(1)(2)</sup>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 US\$ m	2018 US\$ m		2019 US\$ m	2018 US\$ m	
Technology and Consulting Services	59	59	-0.7	107	104	3.1
Managed Security Services	22	22	3.7	45	41	10.5
Security Business	81	81	0.5	152	145	5.2
Compliance Business	12	15	-16.4	25	30	-18.3
<b>Operating revenue</b>	<b>93</b>	<b>95</b>	<b>-2.1</b>	<b>177</b>	<b>175</b>	<b>1.1</b>
<b>Gross margin (%)</b> <sup>(3)</sup>	<b>37%</b>	<b>35%</b>		<b>36%</b>	<b>35%</b>	
<b>EBITDA</b>	<b>(10)</b>	<b>(7)</b>	<b>49.2</b>	<b>(24)</b>	<b>(22)</b>	<b>11.5</b>
<b>EBIT</b>	<b>(22)</b>	<b>(17)</b>	<b>31.5</b>	<b>(48)</b>	<b>(41)</b>	<b>17.6</b>

**Notes:**

- (1) Based on the standalone results of Trustwave group, which include revenue earned as a vendor to the other Singtel entities in the Group. Certain products and services purchased by the other Singtel entities from Trustwave are subsequently sold to third parties.
- (2) Trustwave completed the acquisition of 100% shares of Hivint Pty Limited on 28 December 2018.
- (3) Gross margin refers to revenue less direct operating expenses and related depreciation & amortisation charges.

Trustwave reported stable Security revenue with increases in Managed Security and Consultancy services offset by lower technology services as sales were boosted by a large contract in Australia in September quarter last year. Consulting revenue increased at double digit on the back of Hivint acquisition as well as revenue growth in the US.

Compliance revenue fell 16% due to commoditisation in the traditional payment card industry (PCI) compliance business and price competition.

Negative EBITDA increased on lower operating revenue in Compliance and accruals of staff earnout payments from the acquisition in Australia.

Trustwave was named a Leader in the IDC MarketScape: Canadian Security Services 2019 Vendor Assessment for the second consecutive year.

The Trustwave Fusion Platform, a cloud-based cybersecurity platform, was launched globally serving as the foundation for the company's managed security services, products and other cybersecurity offerings. The platform connects the digital footprints of enterprises and government agencies to a robust security cloud comprised of the Trustwave data lake, advanced analytics, actionable threat intelligence, a wide range of security services and products and Trustwave SpiderLabs, the company's elite team of security specialists.

**SECTION 5 : GROUP DIGITAL LIFE****GROUP DIGITAL LIFE**

**Group Digital Life (“GDL”)** focuses on using the latest Internet technologies and assets of the Group’s operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage.

GDL has three key businesses – digital marketing (Amobee), regional premium OTT video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), and it also serves as Singtel’s digital innovation engine through Innov8.

**SUMMARY INCOME STATEMENT**

**For The Second Quarter And Half Year Ended 30 September 2019**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Amobee group	293	322	-9.0	598	591	1.2
Others <sup>(1)</sup>	11	7	54.1	22	15	50.0
<b>Operating revenue</b>	<b>304</b>	<b>329</b>	<b>-7.5</b>	<b>620</b>	<b>606</b>	<b>2.4</b>
Intercompany eliminations	(15)	(16)	-6.1	(30)	(35)	-13.3
<b>Operating revenue</b>	<b>289</b>	<b>313</b>	<b>-7.6</b>	<b>590</b>	<b>571</b>	<b>3.3</b>
Operating expenses	(313)	(347)	-9.7	(626)	(630)	-0.6
	(24)	(34)	-29.2	(36)	(59)	-38.7
Other income	*	-	nm	*	1	nm
<b>EBITDA</b>	<b>(25)</b>	<b>(34)</b>	<b>-28.3</b>	<b>(36)</b>	<b>(58)</b>	<b>-37.3</b>
Depreciation & amortisation	(21)	(15)	40.7	(41)	(28)	48.0
<b>EBIT</b>	<b>(46)</b>	<b>(49)</b>	<b>-7.3</b>	<b>(78)</b>	<b>(86)</b>	<b>-9.5</b>

Amobee group	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 US\$ m	2018 US\$ m		2019 US\$ m	2018 US\$ m	
Operating revenue	213	236	-9.7	437	437	-0.2
Intercompany eliminations	(10)	(12)	-10.4	(20)	(25)	-19.8
<b>Operating revenue</b>	<b>202</b>	<b>224</b>	<b>-9.6</b>	<b>417</b>	<b>413</b>	<b>1.0</b>
<b>Gross margin %</b>	<b>22%</b>	<b>22%</b>		<b>25%</b>	<b>23%</b>	
<b>EBITDA</b>	<b>*</b>	<b>(7)</b>	<b>nm</b>	<b>11</b>	<b>(8)</b>	<b>nm</b>
<b>EBIT</b>	<b>(12)</b>	<b>(15)</b>	<b>-24.8</b>	<b>(11)</b>	<b>(22)</b>	<b>-49.1</b>

**Note:**

(1) Comprise mainly revenues from HOOQ and DataSpark.

\*A negative sign for year-on-year change in EBITDA and EBIT denotes decrease in losses.

\*\* denotes less than +/-S\$0.5 million, “nm” denotes not meaningful

**SECTION 5 : GROUP DIGITAL LIFE**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales	233	251	-6.9	460	453	1.5
Staff costs	55	65	-15.5	117	120	-2.2
Selling & administrative	19	26	-28.1	37	48	-22.8
Others	6	5	17.6	12	9	31.5
<b>Operating expenses</b>	<b>313</b>	<b>347</b>	<b>-9.7</b>	<b>626</b>	<b>630</b>	<b>-0.6</b>

**FINANCIAL PERFORMANCE****For The Second Quarter Ended 30 September 2019**

Operating revenue fell 7.6% on reduction in Amobee's revenue partly offset by higher HOOQ revenue.

Amobee was impacted by spending cuts of its major customers, declines in the legacy businesses of managed media and social businesses and tech fee compression. Programmatic business, however, grew as Amobee further deepens its relationships with various agencies which drove higher programmatic ad volume to its platform. Despite lower operating revenue, negative EBITDA improved from strong cost management initiatives.

HOOQ's operating revenue grew 56% in line with the growth of higher paying customer base in Southeast Asia and India.

Overall, negative EBITDA reduced by 28% to S\$25 million.

**BUSINESS HIGHLIGHTS**

Amobee won several new platform and media clients, including T-Mobile, Crayola, Swarovski, Tesco and Fox.

Amobee launched the beta of its Unify Workflow and a number of data monetisation initiatives such as Converged ID, Video and CTV Targeting and Political Intelligence Dashboard.

Amobee was named a Leader by Forrester New Wave™ in the latter's Cross-Channel Video Advertising Platforms Q3 2019. This put Amobee's platform technology ahead of other leading Martech companies.

HOOQ continued to drive growth by ramping up its paid customer base. HOOQ has also made significant progress in building its AVOD business with the launch of HOOQ Media Exchange, which congregated the inventories of HOOQ, Airtel, Singtel and AIS for ad sales. This led to ad deals closed with global agencies such as Dentsu and M&C Saatchi.

**SECTION 6 : INTERNATIONAL GROUP****INTERNATIONAL GROUP**

**International Group** (“IG”) leads the Group’s efforts in capturing value from our investments in the regional markets of Africa, India, Indonesia, the Philippines and Thailand. IG also strives to strengthen Singtel’s relationship with our overseas partners and drives regional initiatives. With more than 700 million mobile customers, our focus is to leverage on this scale to build an ecosystem of digital services for our customers.

Besides the focus on the associates’ markets, IG has two key digital businesses – mobile financial business, and gaming and digital content business. Mobile financial business includes Dash’s payment and remittance business, Giftany business (an online gifting platform) and the regional VIA cross-border mobile payment alliance. On the gaming space, IG grows the gaming and digital content business ecosystem in the region with our partners. This includes tapping on our partners’ platforms and channels to scale up regional e-sports events and leagues, as well as developing and distributing curated original and third party content for gamers and fans in the region.

**SUMMARY INCOME STATEMENT**

**For The Second Quarter And Half Year Ended 30 September 2019**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Operating revenue</b>	<b>3</b>	<b>1</b>	<b>85.7</b>	<b>5</b>	<b>3</b>	<b>66.7</b>
Operating expenses	(16)	(14)	17.5	(28)	(21)	30.0
	(14)	(12)	9.8	(23)	(19)	24.7
Other income	1	*	nm	2	3	-11.5
<b>EBITDA</b>	<b>(13)</b>	<b>(12)</b>	<b>5.8</b>	<b>(21)</b>	<b>(16)</b>	<b>30.6</b>
Depreciation & amortisation	(1)	(1)	**	(3)	(3)	**
<b>EBIT</b>	<b>(14)</b>	<b>(13)</b>	<b>5.2</b>	<b>(24)</b>	<b>(19)</b>	<b>26.2</b>

**Note:**

Operating revenues are mainly from Dash’s payment and remittance business, Giftany, direct carrier billing (DCB), regional VIA cross-border mobile payment alliance, and sponsorship revenue for PVP Esports. Operating expenses include the corporate costs of IG.

\*A negative sign for year-on-year change in EBITDA and EBIT denotes decrease in losses.

\*\* denotes less than +/-S\$0.5 million and \*\*\* denotes less than +/- 0.05%.

## **SECTION 6 : INTERNATIONAL GROUP**

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### **FINANCIAL PERFORMANCE**

#### **For The Second Quarter Ended 30 September 2019**

Operating revenue increased on higher Dash's remittance and payment services as well as increased volume in Giftany business.

Dash's remittance transaction count grew 69% from the last corresponding quarter on expansion of mobile remittance platform capabilities to more countries. Today, the platform offers remittance services to six countries - Indonesia, the Philippines, India, Bangladesh, China and Myanmar. Dash's monthly active users increased 159% from the same quarter last year as Dash continues to enhance its mobile payments solution value proposition.

EBITDA and EBIT losses increased on continued ramp up of the digital businesses.

### **BUSINESS HIGHLIGHTS**

#### **Singtel partners MAXstream and HOOQ on new digital content series**

In August 2019, Singtel launched the first digital stand-up comedy competition series in Indonesia titled 'Stand-Up Battle Indonesia 2019' in collaboration with Telkomsel's video streaming application – MAXstream, and HOOQ.

#### **Singtel's VIA Alliance welcomes OCBC Pay Anyone**

In October 2019, Singtel VIA announced plans to expand the VIA mobile payment alliance to include OCBC Bank, the first Singapore bank to join the network.

#### **PVP Esports Community League – Grand Finalists revealed**

In this quarter, Singtel concluded the qualifying rounds of the PVP Campus and Corporate Leagues – two amateur leagues designed to grow the gaming community in the region. A total of 2,000 gamers across the region participated in the leagues, with close to 900,000 views across PVP's digital platforms. The finalists of both leagues will be competing in the Grand Finals in December 2019.

## SECTION 7: ASSOCIATES / JOINT VENTURES

## ASSOCIATES/ JOINT VENTURES

The Group has presence in the regional markets of Africa, India, Indonesia, the Philippines, and Thailand through its associates, Bharti Airtel, Telkomsel, Globe, AIS and Intouch.

Pre-tax profit contribution <sup>(1)</sup>	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Regional associates</b>						
Telkomsel						
- operating results	290	289	0.1	569	525	8.4
- fair value gain	*	1	nm	1	3	-82.1
	290	291	-0.2	570	528	7.9
AIS						
- operating results	104	79	31.6	195	171	13.6
- fair value (loss)/ gain	(1)	*	nm	2	1	75.0
	103	79	30.7	197	173	14.0
Intouch <sup>(2)</sup>						
- operating results	36	29	24.8	70	64	9.8
- fair value (loss)/ gain	*	*	nm	(1)	*	nm
- amortisation of acquired intangibles	(7)	(7)	4.4	(14)	(14)	1.5
	29	22	32.0	55	50	10.0
Globe						
- operating results	104	87	19.6	201	180	11.5
- fair value (loss)/ gain	*	1	nm	*	2	nm
	104	88	17.6	202	183	10.4
Bharti Telecom ("BTL")/ Bharti Airtel ("Airtel")						
Airtel <sup>(3)</sup>						
- operating results (India and South Asia)	21	(35)	nm	44	8	467.9
- operating results (Africa) <sup>(4)</sup>	85	99	-14.2	174	177	-1.4
- associates	(2)	2	nm	(10)	(6)	50.8
- net finance costs	(192)	(191)	0.8	(429)	(355)	20.9
- fair value loss	(7)	(39)	-82.6	(25)	(41)	-37.8
	(96)	(165)	-41.9	(245)	(217)	12.8
BTL <sup>(5)</sup>	(16)	(11)	43.0	(29)	(22)	31.1
	(112)	(176)	-36.5	(274)	(240)	14.5
	<b>414</b>	<b>303</b>	<b>36.4</b>	<b>749</b>	<b>694</b>	<b>8.0</b>
<b>Other Singtel associates</b>						
NetLink NBN Trust/ NetLink Trust ("NLT") <sup>(6)</sup>	14	12	15.4	27	25	10.1
Other associates <sup>(7)</sup>	15	15	1.4	25	27	-8.4
<b>Singtel share of pre-tax profit <sup>(3)</sup></b>	<b>442</b>	<b>330</b>	<b>34.1</b>	<b>801</b>	<b>746</b>	<b>7.4</b>
<b>Optus share of pre-tax profit</b>	<b>*</b>	<b>*</b>	<b>nm</b>	<b>*</b>	<b>*</b>	<b>nm</b>
<b>Group share of pre-tax profit <sup>(3)</sup></b> <i>(excluding Airtel and BTL)</i>	<b>442</b> <b>555</b>	<b>330</b> <b>506</b>	<b>34.1</b> <b>9.5</b>	<b>801</b> <b>1,076</b>	<b>746</b> <b>985</b>	<b>7.4</b> <b>9.2</b>
<b>Group share of tax expense/ (credit) <sup>(3)</sup></b>	<b>130</b>	<b>(47)</b>	<b>nm</b>	<b>216</b>	<b>(15)</b>	<b>nm</b>
<b>Effective tax rate</b>	<b>29.3%</b>	<b>-14.1%</b>		<b>27.0%</b>	<b>-1.9%</b>	

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution <sup>(1)</sup>	Quarter				YOY Chge %	Half Year				YOY Chge %
	30 Sep					30 Sep				
	2019		2018			2019		2018		
	S\$ m	% <sup>(8)</sup>	S\$ m	% <sup>(8)</sup>		S\$ m	% <sup>(8)</sup>	S\$ m	% <sup>(8)</sup>	
<b>Regional associates</b>										
Telkomsel	215	29	216	30	-0.4	421	32	393	27	7.3
ALS	86	12	66	9	29.7	164	12	144	10	13.6
Intouch <sup>(2)</sup>										
- ordinary results	29		24		24.2	56		53		6.5
- amortisation of acquired intangibles	(6)		(6)		5.5	(11)		(11)		1.8
	24	3	18	3	29.8	45	3	42	3	7.7
Globe	70	10	60	8	16.4	136	10	126	9	8.1
Airtel <sup>(3)</sup>										
- ordinary results (India and South Asia)	(109)		(104)		4.1	(229)		(154)		48.9
- ordinary results (Africa) <sup>(4)</sup>	20		39		-47.8	42		74		-43.2
- associates	(2)		2		nm	(10)		(6)		50.8
	(90)		(64)		41.5	(196)		(86)		128.0
- exceptional items (deferred tax credits etc)	-		69		nm	-		121		nm
	(90)		5		nm	(196)		35		nm
BTL <sup>(5)</sup>	(16)		(11)		43.0	(29)		(22)		31.1
	(107)	(14)	(6)	(1)	@	(225)	(17)	13	1	nm
	<b>287</b>	<b>39</b>	<b>354</b>	<b>49</b>	<b>-18.8</b>	<b>540</b>	<b>41</b>	<b>716</b>	<b>49</b>	<b>-24.6</b>
<b>Other Singtel associates</b>										
NLT <sup>(6)</sup>	13	2	12	2	13.9	25	2	23	2	8.6
Other associates <sup>(7)</sup>	12	2	11	2	8.8	20	2	21	1	-3.8
<b>Singtel share of post-tax profit <sup>(3)</sup></b>	<b>313</b>	<b>42</b>	<b>377</b>	<b>53</b>	<b>-17.0</b>	<b>585</b>	<b>45</b>	<b>760</b>	<b>53</b>	<b>-23.0</b>
<b>Optus share of post-tax profit</b>	<b>*</b>	<b>**</b>	<b>*</b>	<b>**</b>	<b>nm</b>	<b>*</b>	<b>**</b>	<b>*</b>	<b>**</b>	<b>nm</b>
<b>Group share of post-tax profit <sup>(3)</sup></b>	<b>313</b>	<b>42</b>	<b>377</b>	<b>53</b>	<b>-17.0</b>	<b>585</b>	<b>45</b>	<b>760</b>	<b>53</b>	<b>-23.0</b>
<i>(excluding Airtel and BTL)</i>	419		383		9.6	811		748		8.4

Post-tax profit contribution (in constant currency) <sup>(9)</sup>	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019	2018		2019	2018	
	S\$ m	S\$ m		S\$ m	S\$ m	
<b>Regional associates</b>						
- operating results	402	347	16.1	750	742	1.2
- fair value losses	(8)	(37)	-78.1	(24)	(34)	-28.9
- amortisation of acquired intangibles	(7)	(7)	-2.9	(13)	(14)	-3.6
	388	303	27.9	713	694	2.8
Other associates	29	27	7.8	52	52	0.4
<b>Group share of pre-tax profit</b>	<b>417</b>	<b>330</b>	<b>26.3</b>	<b>765</b>	<b>746</b>	<b>2.6</b>
Group share of tax (expense)/ credit	(124)	47	nm	(207)	15	nm
<b>Group share of post-tax profit</b>	<b>293</b>	<b>377</b>	<b>-22.2</b>	<b>558</b>	<b>760</b>	<b>-26.6</b>
<b><u>Excluding Airtel and BTL</u></b>						
<b>Group share of pre-tax profit</b>	<b>530</b>	<b>506</b>	<b>4.7</b>	<b>1,044</b>	<b>985</b>	<b>5.9</b>
Group share of tax expense	(129)	(124)	4.7	(258)	(238)	8.3
<b>Group share of post-tax profit</b>	<b>401</b>	<b>383</b>	<b>4.7</b>	<b>786</b>	<b>748</b>	<b>5.2</b>

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

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### Notes:

- (1) The accounts of the associates are prepared based on local accounting standards. Where applicable and material, the accounting policies of the associates have been restated for compliance with the Group's accounting policies. With effect from 1 April 2019, the associates' results as equity accounted by the Group are based on the new lease accounting standard adopted on prospective basis, with no restatement to the comparative periods. The cumulative effects of initial application are reflected as adjustments to the opening statement of financial position as at 1 April 2019.
- (2) Singtel holds an equity interest of 21.0% in Intouch which has an equity interest of 40.5% in AIS.
- (3) Share of results excluded the Group's share of the associates' one-off items which have been classified as exceptional items of the Group.
- (4) Airtel's equity interest in Airtel Africa Plc reduced following investments by six leading global investors and Qatar Investment Authority in October 2018 and January 2019 respectively. Its equity interest was further diluted subsequent to the listing of Airtel Africa Plc on London Stock Exchange and Nigeria Stock Exchange in July 2019. As at 30 September 2019, Airtel's equity interest in Airtel Africa Plc was 56.0% (31 March 2019: 68.3%).
- (5) As at 30 September 2019, Bharti Telecom Limited ("BTL") holds an equity interest of 41.2% (31 March 2019: 50.1%) in Airtel following the completion of Airtel's rights issuance in May 2019. Accordingly, Singtel's effective equity interest in Airtel reduced to 35.2% (31 March 2019: 39.5%).
- (6) Singtel holds an equity interest of 24.79% in NetLink NBN Trust, the holding company of NetLink Trust. The share of results included Singtel's amortisation of deferred gain of S\$5 million (Q2 FY2019: S\$5 million) for the current quarter and S\$10 million (H1 FY2019: S\$10 million) for the half year ended 30 September 2019 on assets previously transferred to NetLink Trust, but excluded the fair value adjustments recorded by NetLink NBN Trust in respect of its acquisition of units in NetLink Trust.
- (7) Include the share of results of Singapore Post Limited.
- (8) Shows the post-tax underlying profit contribution of the associates to the Group's underlying net profit.
- (9) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 30 September 2018.

*\*\* denotes less than +/- S\$0.5 million, \*\*\* denotes less than +/- 0.05% and "@ denotes more than +/- 500%.*

## FINANCIAL PERFORMANCE AND BUSINESS HIGHLIGHTS

On a pre-tax basis, underlying profit contributions from the associates grew at a strong 34% on improved operational performance by AIS, Globe and Airtel. However, post-tax underlying net profit contributions from the associates fell 17% as Airtel had recognised a significant deferred tax credit in respect of its Direct-To-Home business in September quarter last year which was not repeated this quarter. Excluding Airtel, both the associates' pre-tax and post-tax underlying profit contributions would have increased by 10%.

Telkomsel registered stable operating revenue and EBITDA as higher data and digital services were offset by declines in voice and SMS.

Both AIS and Globe recorded strong double-digit increases in EBITDA from higher operating revenues. AIS' contribution was also boosted by 8% appreciation of the Thai Baht.

On a pre-tax basis, net losses of Airtel Group were lower as India's operational performance improved with mobile service growth and Africa reported double-digit increases in both operating revenue and EBITDA. On a post-tax basis, contributions from Airtel Group were lower, impacted by lower equity stake in Airtel Africa following its IPO as well as lower deferred tax credits.

The Group's combined mobile customer base rose 10 million or 1.5% in the quarter to 711 million.

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

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### ***PT Telekomunikasi Selular (“Telkomsel”)***

Telkomsel is the leading operator of cellular telecommunications services in Indonesia.

Compared to last year, market conditions have improved and the telco industry is back to growth trajectory. However, continuing competitive environment in ex-Java regions and decline in legacy businesses such as voice and SMS have muted the overall operating revenue growth to 1%.

Data and digital services, which contributed 65% of total revenue, continued to grow strongly at double-digit rate of 21% on higher ARPU and usage. Dunia Games has more than 7 million monthly active users amid a strong gaming ecosystem value chain with media and distribution, payment, e-sports and game publishing. MAXstream has become the one-stop video portal from aggregation of OTT video apps, linear channels and VOD content.

EBITDA grew 1% on higher revenue and lower marketing and sales expenses partly offset by higher personnel costs.

With higher depreciation, including depreciation from right-of-use assets, post-tax profit declined 4% in Indonesian Rupiah terms. In Singapore Dollar terms, Telkomsel's post-tax profit contribution was stable as the Indonesian Rupiah appreciated 3%.

In an effort to create an e-wallet ecosystem to promote financial inclusion in Indonesia and to tap into the use-cases and resources of other state-owned enterprises, Telkomsel rebranded its mobile financial services product from TCash to LinkAja (PT Fintek Karya Nusantara). LinkAja entered into a Conditional Share Subscription Agreement with several state-owned enterprises which will be carried out over three stages from July to December 2019. If fully subscribed, LinkAja will raise IDR1.65 trillion (~S\$161 million) in fresh funds, while Telkomsel's stake in the company will reduce to 25% from 100%.

### ***Advanced Info Service (“AIS”)***

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

AIS continued to focus on the acquisition and retention of quality customers in its postpaid segment. However, prepaid market remained challenging with all operators offering low-tier packages with large data buckets for new subscriptions since July 2019. AIS continued to execute its enhanced convergence strategy with addition of 81,600 AIS fibre customers this quarter, leveraging upon the high value customers in its mobile subscriber base.

AIS' service revenue (excluding interconnect and equipment rental) rose 7% due to increases in both mobile and fixed broadband services from a higher customer base.

EBITDA grew 19%, lifted by service revenue growth, writeback of tower and equipment rental accrual not required upon settlement of disputes with TOT Public Company Limited (“TOT”) and well controlled expenses. Excluding the writeback, EBITDA would be up 15%.

AIS' post-tax profit grew 21% in Thai Baht terms after including higher depreciation & amortisation charges from investments in network and spectrum.

With the 8% appreciation in the Thai Baht against the Singapore Dollar, the Group's share of AIS' post-tax profit contribution rose a robust 30%.

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

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The number of postpaid customers increased by 1.0 million from a year ago as AIS pushed for migration from prepaid to postpaid.

### *Intouch Holdings (“Intouch”)*

Intouch is listed on the Stock Exchange of Thailand, and has investments in telecommunications via its 40.5% equity interest in AIS, as well as in satellite, internet, and media and advertising businesses.

The Group’s share of Intouch’s net profit for the quarter grew 24% on higher contribution from AIS. Including amortisation of acquired intangibles of S\$6 million (Q2 FY2019: S\$6 million), Intouch’s post-tax contribution grew 30% to S\$24 million.

### *Globe Telecom, Inc (“Globe”)*

Globe is listed on the Philippine Stock Exchange.

This quarter, Globe continued to register strong growth across all data-related products and services, fuelled by sustained increase in data usage brought about by the popularity of streaming, on-demand video content and online gaming.

Service revenue grew 14% driven by sustained growth in data revenue from increased demand for internet services with continued expansion of mobile networks. Mobile data remained the top contributor to mobile revenue at 64% of mobile revenue from 51% in the last corresponding quarter, boosted by attractive data plans and demand for data-intensive content. Home Broadband product also performed strongly on popularity of local and international entertainment from Amazon Prime Video, DisneyLife, Fox+ and HOOQ.

Consequently, Globe recorded double-digit growth of 17% in EBITDA.

Including higher depreciation charges and share of equity losses from its associates, Globe’s post-tax profit grew 12% in Philippine Peso terms. In Singapore Dollar terms, Globe’s post-tax profit contribution rose 16% as the Philippine Peso appreciated 4%.

With the extension of the prepaid load expiry from 3 months to 12 months, Globe’s mobile customer base grew 49% from a year ago.

In the Philippines, the third operator had posted its performance bond and received its license from the regulator.

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

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### **Airtel Group<sup>9</sup>**

Airtel is listed on the Indian Stock Exchanges - National Stock Exchange and the Bombay Stock Exchange. It is a leading integrated telecommunications company with presence in 18 countries across Asia and Africa.

### **India and Sri Lanka (“India and South Asia”)**

On 1 July 2019, the merger of the consumer mobile businesses of Tata Teleservices (Maharashtra) Limited and Tata Teleservices Limited (“Tata”) with Airtel India was completed. The long stop date for the merger of Infratel and Indus was recently extended by 60 days to 24 December 2019.

Airtel India’s performance continued to improve despite continued intense competition and low headline mobile prices. Operating revenue was up 3%, and would have increased 6%<sup>10</sup> on a comparable basis. Mobile service revenue grew for the third consecutive quarter, at 7% on higher ARPU on success of the minimum recharge plans and #Airtelthanks programme. Despite being a seasonally weaker quarter with network shut down in one of the telecom circles, ARPU remained stable at Rs.128 compared to Rs.129 in the preceding quarter. Airtel India continued to invest in network upgrading and capacity expansion. The number of 4G data customers grew 57% from a year ago, with data volume correspondingly up 82% year-on-year. Mobile customer base remained stable from a quarter ago, with churn at a low 2.1%.

EBITDA rose 49% on higher operating revenue and lower operating lease expenses partially offset by increased network charges from higher investments in networks.

Including higher depreciation and amortisation charges, the Group’s share of pre-tax operating profit (before finance costs and fair value adjustments) from India and South Asia amounted to S\$21 million, a turnaround from the share of loss of S\$35 million in the same quarter last year.

In October 2019, Airtel successfully raised USD 750 million from issuance of Subordinated Perpetual Securities. This will further strengthen Airtel’s balance sheet. Airtel had earlier completed a rights issue for USD 3.5 billion in May 2019 and successfully listed Airtel Africa Plc for USD 0.7 billion in July 2019.

### **Africa**

Airtel Africa Plc, the holding company of African operations, was listed on London Stock Exchange and Nigeria Stock Exchange on 3 July 2019 (unconditional trading date) and 9 July 2019 respectively. In September 2019, Airtel Africa was added to the FTSE 250 index.

‘Airtel Money’ and 3G services are available across all the 14 African countries<sup>11</sup> that Airtel has presence in, while 4G services are available in 13 African countries.

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<sup>9</sup> Airtel’s results as equity accounted by Singtel are based on IFRS.

<sup>10</sup> Subsequent to a new tariff order, service providers of Digital TV Services in India are responsible only for re-transmission and are not in a position to control content and pricing. Consequently, TV revenue is recognised net of content charges with effect from June 2019 quarter.

<sup>11</sup> Namely Nigeria, Chad, Congo B, DRC, Gabon, Madagascar, Niger, Kenya, Malawi, Seychelles, Tanzania, Uganda, Zambia and Rwanda.

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

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Airtel Africa continued to report strong growth momentum this quarter. In reported US Dollar terms, operating revenue was up 10% with broad-based growth across voice, data and Airtel Money. Consequently, EBITDA increased a robust 12% and margin rose to a record high of 44.1% this quarter. In constant US Dollar terms, Africa's operating revenue and EBITDA were up 13% and 15% respectively.

Nigeria contributed 39% (Q2 FY2019: 34%) and 47% (Q2 FY2019: 39%) of Airtel Africa's operating revenue and EBITDA this quarter. Its revenue and EBITDA grew strongly by 24% and 35% respectively on higher customer base and increased data and voice on the back of the solid expansion of its 4G network. Airtel Nigeria has applied for Payment Service Bank license and Super-Agent license with the Central Bank Of Nigeria.

Airtel Money continued to be Airtel Africa's fastest growing segment and contributed 9% of Airtel Africa's revenue, up from 7%. With an expanded distribution infrastructure and enhanced offerings, operating revenue grew 47% and EBITDA increased a steep 85%.

Airtel's stake in Airtel Africa Plc was diluted to 56.0% as at 30 September 2019. Consequently, the Group's share of Airtel Africa's pre-tax operating profit (before finance costs and fair value adjustments) declined 14% to S\$85 million.

Airtel Africa crossed the 100 million mark to report 104 million of mobile customers as at 30 September 2019.

Following the strong set of results for the first half year, the board has approved an interim dividend of USD 0.03 per share to be paid at end of November 2019.

### **Airtel Group including Bharti Telecom Ltd ("BTL")**

Airtel Group comprising operational units in India, Africa and Sri Lanka reported growth in operating revenue, EBITDA and EBIT of 5%, 41% and 85% respectively.

The Group's share of pre-tax loss was S\$96 million, down 42% from S\$165 million in the last corresponding quarter. However, due to absence of large tax credit this quarter, the share of Airtel Group's post-tax loss was S\$90 million compared to a post-tax profit of S\$5 million in the same quarter last year.

Including the share of BTL's net loss of S\$16 million (mainly net finance expense), the Group's share of post-tax loss of Airtel Group including BTL amounted to S\$107 million.

Airtel recorded some exceptional losses this quarter which have been classified as exceptional items of the Group. The exceptional losses included a sizable provision for regulatory demands arising from an adverse ruling on the definition of Adjusted Gross Revenue which forms the basis for license and spectrum usage charge payments. Airtel, together with other operators, continues to make representations to the Indian government for relief. Other exceptional items of Airtel included incremental provision for derivative liabilities relating to customary indemnities provided to a group of investors of Airtel Africa partially offset by a negative goodwill recognised<sup>12</sup> on business combination with Tata and some reversals from re-assessment of levies.

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<sup>12</sup> Under IFRS, a negative goodwill is recognised in income statement while under Indian Accounting Standards, such gain is taken to reserve.

## SECTION 7 : ASSOCIATES/ JOINT VENTURES

## KEY OPERATIONAL DATA

	Airtel <sup>(1)</sup>	Telkomsel	AIS	Intouch	Globe
<b>Singtel's investment:</b>					
Year of initial investment	<b>2000</b>	<b>2001</b>	<b>1999</b>	<b>2016</b>	<b>1993</b>
Effective economic interest (%)	35.2%	35.0%	23.3% <sup>(2)</sup>	21.0%	47.0% <sup>(3)</sup>
Investment to date	S\$5.07 bil <sup>(4)</sup>	S\$1.93 bil	S\$1.20 bil	S\$1.59 bil	S\$1.02 bil
Closing market share price <sup>(5)</sup>	INR 367	NA	THB 220 <sup>(6)</sup>	THB 66 <sup>(6)</sup>	PHP 1,830
Market capitalisation					
- Total	S\$36.82 bil	NA	S\$29.58 bil	S\$9.50 bil	S\$6.50 bil
- Singtel holding	S\$12.95 bil	NA	S\$6.90 bil	S\$1.99 bil	S\$3.06 bil
<b>Operational Performance :</b>					
Mobile penetration rate <sup>(7)</sup>	90%	128%	138%	NM	159%
Market share, 30 Sep 2019 <sup>(7)</sup>	28.0%	49.3%	45.3%	NM	57.7%
Market share, 30 Jun 2019 <sup>(8)</sup>	27.5%	49.8%	45.1%	NM	57.9%
Market position <sup>(9)</sup>	#3	#1	#1	NM	#1
Mobile customers ('000)					
- Aggregate	386,151	170,928	41,558	NM	97,358
- Proportionate	125,494	59,825	9,691	3,530	45,787
Growth in mobile customers (%) <sup>(10)</sup>	-10%	1.9%	2.2%	NM	49%
Credit ratings					
- Sovereign (Moody's/ S&P Global)	Baa2/BBB-	Baa2/BBB	Baa1/BBB+	Baa1/BBB+	Baa2/BBB+
- Company (Moody's/ S&P Global)	Ba1/BBB-	Baa1/NA	NA/BBB+	NA	NA

**Notes:**

- (1) The mobile penetration rate, market share and market position pertain to India market only.
- (2) Based on direct equity interest only.
- (3) Singtel has 21.5% interest in Globe's voting shares.
- (4) Excludes Singtel's direct equity investment of 5.5% in Airtel Africa which is accounted as a 'Fair Value through Other Comprehensive Income' investment in the Group's statement of financial position.
- (5) Based on closing market price in local currency as of 30 September 2019.
- (6) Based on local market price quoted on the Stock Exchange of Thailand.
- (7) Based on actual data or latest data available as of 30 September 2019.
- (8) Based on actual data.
- (9) Based on number of mobile customers and based on actual data or latest data available as of 30 September 2019.
- (10) Compared against 30 September 2018 and based on aggregate number of mobile customers.

"NA" denotes not applicable.

"NM" denotes not meaningful.

Please refer to **Appendix 9** for the currency rate movements of the regional associates.

## SECTION 8 : PRODUCT INFORMATION

## SINGAPORE MOBILE (PRODUCT VIEW)

	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
<b>Mobile revenue (S\$'M) <sup>(1)</sup></b>	<b>617</b>	<b>576</b>	<b>606</b>	<b>1,193</b>	<b>1,194</b>	<b>-0.1</b>
<b>Mobile service revenue (S\$'M) <sup>(2)</sup></b>	<b>378</b>	<b>390</b>	<b>411</b>	<b>767</b>	<b>832</b>	<b>-7.8</b>
<b>Number of mobile subscribers (000s)</b>						
Prepaid	1,615	1,607	1,620	1,615	1,620	-0.3
Postpaid	2,639	2,609	2,506	2,639	2,506	5.3
<b>Total</b>	<b>4,254</b>	<b>4,216</b>	<b>4,126</b>	<b>4,254</b>	<b>4,126</b>	<b>3.1</b>
<b>Average revenue per subscriber per month <sup>(3)(4)</sup> (S\$ per month)</b>						
Prepaid	17	17	18	17	18	-6.6
Postpaid	39	40	43	39	45	-11.9
<b>Blended</b>	<b>30</b>	<b>31</b>	<b>33</b>	<b>31</b>	<b>34</b>	<b>-10.0</b>
<b>Data services as % of ARPU <sup>(5)</sup></b>	<b>66%</b>	<b>65%</b>	<b>62%</b>	<b>66%</b>	<b>63%</b>	
Postpaid external churn per month <sup>(6)</sup>	0.9%	0.8%	0.8%	0.9%	0.9%	
<b>Singapore mobile penetration rate <sup>(7)</sup></b>	<b>156%</b>	<b>154%</b>	<b>148%</b>	<b>156%</b>	<b>148%</b>	
<b>Market share <sup>(7)</sup></b>						
Prepaid	54.5%	54.0%	53.3%	54.5%	53.3%	
Postpaid	47.3%	47.1%	47.7%	47.3%	47.7%	
<b>Overall</b>	<b>49.8%</b>	<b>49.5%</b>	<b>49.8%</b>	<b>49.8%</b>	<b>49.8%</b>	

**Notes:**

- (1) This comprises mobile service revenue, sales of mobile equipment and handset leasing.
- (2) This is determined net of bill rebates and prepaid sales discount, and includes mobile revenue earned from international telephone calls and broadband bundles.
- (3) Based on average number of subscribers, calculated as the simple average of opening and closing number of subscribers.
- (4) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.
- (5) Includes revenue from messaging and other data services.
- (6) 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 average number of subscribers.
- (7) The market share data as at 30 September 2019 was based on Telco operators' published results. The other market statistics were based on IMDA's latest available published statistics as of 31 July 2019.

## SECTION 8 : PRODUCT INFORMATION

## AUSTRALIA MOBILE (PRODUCT VIEW)

	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
<b>Optus' mobile revenue (A\$'M) <sup>(1)</sup></b>	<b>1,360</b>	<b>1,467</b>	<b>1,422</b>	<b>2,827</b>	<b>2,808</b>	<b>0.7</b>
<b>Optus' mobile service revenue (A\$'M)</b>	<b>903</b>	<b>897</b>	<b>943</b>	<b>1,799</b>	<b>1,905</b>	<b>-5.6</b>
<b>Optus' mobile outgoing service revenue (A\$M)</b>	<b>847</b>	<b>841</b>	<b>888</b>	<b>1,688</b>	<b>1,796</b>	<b>-6.0</b>
<b>Number of mobile subscribers (000s)</b>						
Prepaid Handset	3,346	3,371	3,604	3,346	3,604	-7.1
Postpaid Handset	5,763	5,734	5,428	5,763	5,428	6.2
Mobile Broadband <sup>(2)</sup>	1,184	1,181	1,139	1,184	1,139	3.9
<b>Total</b>	<b>10,293</b>	<b>10,285</b>	<b>10,171</b>	<b>10,293</b>	<b>10,171</b>	<b>1.2</b>
<b>ARPU per month (A\$) <sup>(3)</sup></b>						
Prepaid Handset	19	18	19	18	19	-2.8
Postpaid Handset	38	38	41	38	42	-10.3
Mobile Broadband <sup>(2)</sup>	19	19	21	19	21	-9.9
<b>Blended</b>	<b>29</b>	<b>29</b>	<b>31</b>	<b>29</b>	<b>31</b>	<b>-6.7</b>
<b>Data revenue as a % of service revenue</b>	<b>84%</b>	<b>84%</b>	<b>79%</b>	<b>84%</b>	<b>79%</b>	
<b>Market share <sup>(4)</sup></b>	<b>NA</b>	<b>31.5%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	
<b>Retail postpaid churn rate per month <sup>(5)</sup></b>	<b>1.4%</b>	<b>1.4%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.4%</b>	

**Notes:**

- (1) This comprises mobile service revenue (both outgoing and incoming), sales of equipment and handset leasing.
- (2) Defined as data-only SIMs and include customers on both prepaid and postpaid plans. Postpaid plans incur a monthly subscription fee.
- (3) Based on average number of customers, calculated as the simple average of opening and closing number of customers.
- (4) The market share data as at 30 September 2019 was based on operators' disclosures and excluded IoT.
- (5) Churn calculation excludes customers transferring from postpaid to prepaid.

"NA" denotes not available.

**SECTION 8 : PRODUCT INFORMATION****Singtel TV (PRODUCT VIEW)**

	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
Singtel TV revenue <sup>(1)</sup> (S\$'M)	54	54	72	108	144	-25.1
Average revenue per residential TV customer per month <sup>(1)</sup> (S\$ per month)	42	41	45	41	44	-6.1
Number of residential TV customers (000s)	383	382	383	383	383	-0.1

**Note:**

(1) Excluding 2018 FIFA World Cup revenue, Singtel TV revenue would be S\$56 million for the last corresponding quarter and S\$111 million for the half year ended 30 September 2018. ARPU would be S\$41 for both the last corresponding quarter and half year ended 30 September 2018.

**SINGAPORE CONSUMER FIXED**

	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
Singapore Consumer Fixed revenue (S\$'M) <sup>(1)(2)</sup>	141	140	158	281	318	-11.5
Number of households on triple/ quad play services (000s) <sup>(3)</sup>	520	518	513	520	513	1.3

**Notes:**

- (1) Singapore Consumer Fixed revenue comprises fixed broadband, fixed voice, Singtel TV and broadband, and SmartHome equipment in the residential segment only and does not include mobile.
- (2) Excluding 2018 FIFA World Cup revenue, Singapore Consumer Fixed revenue would be S\$142 million for the last corresponding quarter and S\$287 million for the half year ended 30 September 2018.
- (3) Total number of residential households who subscribed to 3 or 4 unique services comprising fixed broadband, Singtel TV, fixed voice and mobile.

## SECTION 8 : PRODUCT INFORMATION

## OTHER PRODUCTS

Singapore	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
<b>Fixed Broadband</b>						
Number of fixed broadband lines (000s) <sup>(1)</sup>	639	634	624	639	624	2.3
Singapore fixed broadband penetration rate <sup>(2)</sup>	93.5%	93.6%	92.6%	93.5%	92.6%	
Fixed broadband market share <sup>(3)(4)</sup>	42.4%	42.2%	42.3%	42.4%	42.3%	
Fibre broadband market share <sup>(4)</sup>	42.9%	43.5%	46.6%	42.9%	46.6%	
<b>International Telephone</b> (for both fixed and mobile calls)						
International telephone outgoing minutes (m mins) (excl Malaysia)	324	361	483	685	1,010	-32.2
Average collection rate - net basis (S\$/ min) (excl Malaysia)	0.098	0.099	0.087	0.099	0.087	13.8
<b>National Telephone</b>						
Fixed working lines (000s) <sup>(5)</sup>						
Residential	739	742	758	739	758	-2.5
Business	558	576	621	558	621	-10.1
<b>Total</b>	<b>1,297</b>	<b>1,318</b>	<b>1,379</b>	<b>1,297</b>	<b>1,379</b>	<b>-5.9</b>
Singapore fixed line penetration rate <sup>(6)</sup>	33.7%	33.7%	35.1%	33.7%	35.1%	
Singapore fixed working lines ('000s) <sup>(6)</sup>	1,911	1,921	1,978	1,911	1,978	
Fixed line market share <sup>(6)</sup>	67.9%	68.6%	69.7%	67.9%	69.7%	

**Notes:**

- (1) Include ADSL and fibre lines.
- (2) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IMDA). The market penetration rate as at 30 September 2019 was based on IMDA's latest available published statistics as of 31 July 2019.
- (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 30 September 2019 was based on IMDA's latest available published statistics as of 31 July 2019.
- (5) Fixed working lines refer to Direct Exchange Lines (DEL) and Home Digital Lines.
- (6) The market share data as at 30 September 2019 was based on management's estimates. The other market statistics as at 30 September 2019 were based on IMDA's latest available published statistics as of 30 June 2019.

**SECTION 8 : PRODUCT INFORMATION**

Australia	Quarter			Half Year		YOY Chge %
	30 Sep 2019	30 Jun 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	
Retail Fixed ARPU (A\$) <sup>(1)</sup>	77	78	79	77	79	-3.3
Standalone Telephony Customers (000s)	63	66	87	63	87	-27.3
<b>Broadband customers (000s)</b>						
<i>On-net bundle and standalone broadband</i>	<b>377</b>	<b>480</b>	<b>635</b>	<b>377</b>	<b>635</b>	<b>-40.7</b>
HFC	232	303	391	232	391	-40.8
ULL	145	176	244	145	244	-40.6
<i>Off-net bundle and standalone broadband</i>	<b>739</b>	<b>661</b>	<b>532</b>	<b>739</b>	<b>532</b>	<b>39.1</b>
NBN	726	646	506	726	506	43.5
RDSL	13	15	26	13	26	-48.5
<b>Total Broadband</b>	<b>1,116</b>	<b>1,141</b>	<b>1,167</b>	<b>1,116</b>	<b>1,167</b>	<b>-4.4</b>
<b>Total Fixed Customers (000s)</b>	<b>1,179</b>	<b>1,207</b>	<b>1,254</b>	<b>1,179</b>	<b>1,254</b>	<b>-5.9</b>
<b>TV Services (000s)</b>	<b>406</b>	<b>416</b>	<b>515</b>	<b>406</b>	<b>515</b>	<b>-21.2</b>

**Note:**

(1) Excludes NBN migration revenue.

**SECTION 9: GLOSSARY**

<b>“ACCC”</b>	Australian Competition And Consumer Commission.
<b>“ADSL”</b>	Asymmetric digital subscriber line.
<b>“ARPU”</b>	Average revenue per user.
<b>“Associate”</b>	Refers to an associate and/or a joint venture company under Singapore Financial Reporting Standards (International).
<b>“ATO”</b>	Australian Taxation Office.
<b>“EI”</b>	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.
<b>“EBIT”</b>	Earnings before interest and tax.
<b>“EBITDA”</b>	Earnings before interest, tax, depreciation and amortisation, and does not include the share of pre-tax results of associates.
<b>“EBITDA margin”</b>	Ratio of EBITDA over operating revenue.
<b>“EPS”</b>	Earnings per share.
<b>“Free Cash Flow”</b>	Free cash flow refers to cash flow from operating activities less cash capital expenditure.
<b>“HFC”</b>	Hybrid fibre coaxial.
<b>“ICT”</b>	Infocomm technology.
<b>“IFRS”</b>	International Financial Reporting Standards
<b>“IoT”</b>	Internet of things.
<b>“IMDA”</b>	Info-communications Media Development Authority of Singapore.
<b>“IP VPN”</b>	Internet protocol virtual private network.
<b>“MOU”</b>	Minutes of use per subscriber.
<b>“NA”</b>	Not applicable.
<b>“ND”</b>	Not disclosed.
<b>“NM”</b>	Not meaningful.
<b>“NPS”</b>	Net Promoter Score. This 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.
<b>“Optus”</b>	Singtel Optus Pty Limited, Singtel's wholly-owned subsidiary, and its subsidiaries.
<b>“OTT”</b>	Over-the-top.
<b>“RDSL”</b>	Resale digital subscriber line.
<b>“Regional associates”</b>	Comprises Airtel, AIS, Intouch, Telkomsel and Globe.
<b>“SFRS(I)”</b>	Singapore Financial Reporting Standards (International).
<b>“SMS”</b>	Short message service.
<b>“SME”</b>	Small and medium-sized enterprises.
<b>“STAI”</b>	Singapore Telecom Australia Investments Pty Limited, which has 100% equity interest in Optus.
<b>“UI/UX”</b>	User interface/ user experience
<b>“ULL”</b>	Unconditional local loop.
<b>“Underlying net profit”</b>	Defined as net profit before exceptional items.

**OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2020**

- **Consolidated results and cash flow may be impacted by material exchange rate movements in the Australian Dollar, United States Dollar and regional currencies.** The Group's outlook for the current financial year is based on the following average exchange rates during FY2019:

Australian Dollar	AUD 1	SGD 0.9898
United States Dollar	USD 1	SGD 1.3580
Indonesian Rupiah	SGD 1	IDR 10,526
Indian Rupee	SGD 1	INR 51.5
Thailand Baht	SGD 1	THB 23.8
Philippine Peso	SGD 1	PHP 38.9

- **Excluding acquisitions, consolidated revenue<sup>1</sup> and EBITDA<sup>1</sup> for the Group are expected to be stable.**
- **Capital expenditure is expected to approximate S\$2.1 billion, comprising A\$1.3 billion for Optus and S\$0.8 billion for the rest of the Group.**
- **Group free cash flow (excluding spectrum payments and dividends from associates) to be around S\$2.4 billion.**
- **Dividends from the regional associates are expected to be around S\$1.2 billion.**
- **Revenue from ICT services to grow by low single digit.**
- **Cyber security revenue to increase by mid single digit. Excluding payment compliance services, it is expected to grow by low teens.**
- **Amobee's operating revenue (including intragroup revenue) to decline by mid single digit and its EBITDA to improve.**

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<sup>1</sup> Excluding NBN migration revenues in Australia for FY2020 and FY2019.

**IMPACT ON ADOPTION OF SFRS(I) 16, LEASES**

With effect from 1 April 2019, the Group has mandatorily applied Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 16, *Leases*, prospectively with no restatement of financial statements for the comparative periods. SFRS(I) 16 superceded SFRS(I) 1-17, *Leases* and the related interpretations. The cumulative effects of initial application are reflected as adjustments to the opening statement of financial position as at 1 April 2019.

Under SFRS(I) 16, a lessee recognises a right-of-use asset representing its rights to use the underlying asset and a lease liability representing its obligation to make lease payments in the statement of financial position. Depreciation charges on the right-of-use assets and interest expense on the lease liability are recorded in the income statement. Lease payments, split between principal payments and interest payments of lease liability, are classified as financing cash flows in the statement of cash flows. Lessor accounting remains largely similar to the previous accounting standard.

The Group is a lessee mainly for central offices, data centres, corporate offices, retail stores, network equipment, ducts and manholes.

The impact on the Group’s results from adoption of SFRS(I) 16 for the current periods were as follows:

	Quarter		Half Year
	30 Sep 2019 S\$ m	30 Jun 2019 S\$ m	30 Sep 2019 S\$ m
<b><u>Impact on Income Statement</u></b>			
Operating lease expenses	-108	-105	-213
Depreciation & amortisation	+94	+94	+188
Interest expense	+18	+20	+38
<b><u>Impact on Cash Flows</u></b>			
Operating cash flow	+97	+122	+219
Financing cash flow	-97	-122	-219

	As at	
	30 Jun 2019 S\$ m	30 Sep 2019 S\$ m
<b><u>Impact on Statement of Financial Position</u></b>		
Right-of-use assets	+2,133	+2,102
Borrowings (secured)		
Lease liabilities	+2,285	+2,291

**GROUP OPERATING REVENUE**

By Products and Services	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m	2019 S\$ m	2018 S\$ m		
Mobile service (includes international call revenue)	1,231	1,353	-9.0	2,476	2,746	-9.8
Sale of equipment	614	649	-5.5	1,296	1,228	5.6
Leasing revenue	54	25	120.3	104	41	151.3
Mobile	1,899	2,027	-6.3	3,876	4,015	-3.5
Data and Internet (includes NBN migration revenues)	944	824	14.6	1,803	1,651	9.2
Infocomm Technology (ICT)	731	745	-1.8	1,413	1,424	-0.8
Digital businesses <sup>(1)</sup>	297	313	-5.2	604	584	3.3
Fixed voice	183	242	-24.4	377	488	-22.9
Pay television	79	103	-23.3	159	207	-23.4
Others	19	16	21.0	35	34	2.3
<b>Total</b>	<b>4,152</b>	<b>4,270</b>	<b>-2.8</b>	<b>8,265</b>	<b>8,404</b>	<b>-1.7</b>

Operating Revenue Mix	Quarter		Half Year	
	30 Sep		30 Sep	
	2019 %	2018 %	2019 %	2018 %
Mobile service	29.6	31.7	30.0	32.7
Sale of equipment	14.8	15.2	15.7	14.6
Leasing revenue	1.3	0.6	1.3	0.5
Mobile	45.7	47.5	47.0	47.8
Data and Internet	22.7	19.3	21.8	19.6
Infocomm Technology (ICT)	17.6	17.4	17.1	16.9
Digital businesses <sup>(1)</sup>	7.2	7.3	7.3	7.0
Fixed voice	4.4	5.7	4.6	5.8
Pay television	1.9	2.4	1.9	2.5
Others	0.5	0.4	0.3	0.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Note:**

(1) Include revenues from Amobee, HOOQ, and DataSpark.

Operating revenue declined 2.8% and would be stable in constant currency terms.

Total Mobile revenue declined 6.3% (2.5% in constant currency terms) due mainly to lower mobile service revenue on intense data price competition and lower voice usage.

Data and Internet revenue increased 15% (19% in constant currency terms) from higher NBN migration revenues on record migrations, partly offset by price erosion. Consequently, Data and Internet revenue contributed 23% of total operating revenue, up from 19% in the last corresponding quarter.

Revenue from ICT fell 1.8% and was stable in constant currency terms as lower product sales in Australia were mitigated by revenue growth in Singapore led by NCS.

Revenue from digital businesses was down by 5.2% on reduction in Amobee's revenue.

## GROUP OPERATING EXPENSES

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales <sup>(1)</sup>	1,366	1,380	-1.0	2,737	2,613	4.7
Staff costs	649	666	-2.6	1,277	1,342	-4.9
Selling & administrative	524	645	-18.8	1,021	1,267	-19.4
Traffic expenses	406	399	2.0	789	790	-0.1
Repair & maintenance	89	96	-7.3	187	182	2.5
Others	6	6	**	7	(12)	nm
<b>Total</b>	<b>3,040</b>	<b>3,191</b>	<b>-4.7</b>	<b>6,018</b>	<b>6,183</b>	<b>-2.7</b>
Direct costs <sup>(2)</sup>	1,952	1,961	-0.5	3,875	3,753	3.2
Indirect costs <sup>(2)</sup>	1,088	1,230	-11.6	2,143	2,430	-11.8
<b>Total</b>	<b>3,040</b>	<b>3,191</b>	<b>-4.7</b>	<b>6,018</b>	<b>6,183</b>	<b>-2.7</b>

As a percentage of operating revenue	Quarter		Half Year	
	30 Sep		30 Sep	
	2019 %	2018 %	2019 %	2018 %
Cost of sales <sup>(1)</sup>	32.9	32.3	33.1	31.1
Staff costs	15.6	15.7	15.4	16.0
Selling & administrative	12.6	15.0	12.4	15.1
Traffic expenses	9.8	9.3	9.6	9.4
Repair & maintenance	2.2	2.2	2.3	2.2
Others	0.1	0.1	0.1	(0.1)
<b>Total</b>	<b>73.2</b>	<b>74.7</b>	<b>72.9</b>	<b>73.7</b>
Direct costs <sup>(2)</sup>	47.0	45.9	46.9	44.7
Indirect costs <sup>(2)</sup>	26.2	28.8	25.9	29.0
<b>Total</b>	<b>73.2</b>	<b>74.7</b>	<b>72.8</b>	<b>73.7</b>

**Notes:**

- (1) Cost of sales include cost of goods sold and service costs such as costs of content and programming.  
(2) Direct costs comprise mainly cost of sales, traffic expenses and other expenses directly attributable to revenue earned. Indirect costs refer to expenses not directly attributable to revenue earned.

Total operating expenses declined 4.7% and would have decreased 2.1% in constant currency terms mainly attributable to lower indirect costs on strong cost control and reduction in operating lease expenses<sup>1</sup>.

<sup>1</sup> Some leases such as short term leases and leases of low value assets continue to be expensed as incurred under SFRS(I) 16.

**GROUP STAFF COSTS**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$m		2019 S\$ m	2018 S\$m	
<b>Staff costs</b>						
Optus	216	245	-12.0	434	519	-16.5
Singtel and other subsidiaries	433	421	2.9	843	823	2.4
<b>Group</b>	<b>649</b>	<b>666</b>	<b>-2.6</b>	<b>1,277</b>	<b>1,342</b>	<b>-4.9</b>

	Quarter			YOY Chge %	Half Year		YOY Chge %
	30 Sep	30 Jun	30 Sep		30 Sep	30 Sep	
	2019	2019	2018		2019	2018	
<b>Average number of staff</b>							
Optus	7,107	7,242	7,666	-7.3	7,175	8,018	-10.5
Singtel and other subsidiaries	16,114	16,089	16,525	-2.5	16,101	16,631	-3.2
<b>Group <sup>(1)</sup></b>	<b>23,221</b>	<b>23,331</b>	<b>24,191</b>	<b>-4.0</b>	<b>23,276</b>	<b>24,649</b>	<b>-5.6</b>
<b>Headcount as at end of period</b>							
Optus	7,092	7,114	7,441	-4.7	7,092	7,441	-4.7
Singtel and other subsidiaries	16,002	16,120	16,378	-2.3	16,002	16,378	-2.3
<b>Group <sup>(1)</sup></b>	<b>23,094</b>	<b>23,234</b>	<b>23,819</b>	<b>-3.0</b>	<b>23,094</b>	<b>23,819</b>	<b>-3.0</b>

**Note:**

(1) Headcount for staff deployed in capital projects are included in the table above, though the related staff costs are capitalised as part of the cost of property, plant and equipment.

**BUSINESS SEGMENT RESULTS (QUARTER)**

	Quarter			YOY		QOQ
	30 Sep 2019 S\$ m	30 Jun 2019 S\$ m	30 Sep 2018 S\$ m	Chge %	Chge in cc <sup>(1)</sup> %	Chge %
<b>Operating revenue</b>						
Singapore Consumer	563	518	554	1.7	1.7	8.8
Australia Consumer	1,808	1,850	1,830	-1.2	4.8	-2.3
Group Enterprise	1,489	1,442	1,573	-5.3	-4.3	3.3
Group Digital Life	289	301	313	-7.6	-8.1	-4.1
International Group	3	2	1	85.7	85.7	36.8
<b>Group</b>	<b>4,152</b>	<b>4,113</b>	<b>4,270</b>	<b>-2.8</b>	<b>0.1</b>	<b>0.9</b>
<i>(exclude NBN migration revenues)</i>	<b>3,976</b>	<b>4,020</b>	<b>4,247</b>	<b>-6.4</b>	<b>-3.7</b>	<b>-1.1</b>
<b>EBITDA</b>						
Singapore Consumer	191	188	183	4.5	4.5	1.9
Australia Consumer	644	619	573	12.4	19.2	4.1
Group Enterprise	389	417	440	-11.5	-11.3	-6.7
Group Digital Life	(25)	(12)	(34)	-28.3	-29.4	112.1
International Group	(13)	(8)	(12)	5.8	5.8	54.9
Corporate	(26)	(21)	(22)	20.4	20.4	26.2
<b>Group</b>	<b>1,162</b>	<b>1,184</b>	<b>1,129</b>	<b>2.9</b>	<b>6.5</b>	<b>-1.9</b>
<i>(exclude NBN migration revenues)</i>	<b>986</b>	<b>1,091</b>	<b>1,106</b>	<b>-10.9</b>	<b>-8.1</b>	<b>-9.6</b>
<b>EBIT (exclude share of associates' pre-tax profits)</b>						
Singapore Consumer	126	123	121	3.8	3.8	2.5
Australia Consumer	278	227	249	11.9	18.7	22.9
Group Enterprise	203	253	289	-29.9	-30.9	-19.9
Group Digital Life	(46)	(32)	(49)	-7.3	-8.1	43.7
International Group	(14)	(10)	(13)	5.2	5.2	48.4
Corporate	(27)	(22)	(22)	22.1	22.1	24.3
<b>Group</b>	<b>520</b>	<b>539</b>	<b>575</b>	<b>-9.5</b>	<b>-6.9</b>	<b>-3.5</b>

**Note:**

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding quarter ended 30 September 2018.

**BUSINESS SEGMENT RESULTS (HALF YEAR)**

	Half Year		YOY	
	30 Sep 2019 S\$ m	30 Sep 2018 S\$ m	Chge %	Chge in cc <sup>(1)</sup> %
<b>Operating revenue</b>				
Singapore Consumer	1,081	1,099	-1.7	-1.7
Australia Consumer	3,658	3,639	0.5	6.5
Group Enterprise	2,931	3,092	-5.2	-4.1
Group Digital Life	590	571	3.3	1.9
International Group	5	3	66.7	66.7
<b>Group</b>	<b>8,265</b>	<b>8,404</b>	<b>-1.7</b>	<b>1.2</b>
<i>(exclude NBN migration revenues)</i>	<i>7,996</i>	<i>8,357</i>	<i>-4.3</i>	<i>-1.6</i>
<b>EBITDA</b>				
Singapore Consumer	379	379	0.1	0.1
Australia Consumer	1,264	1,176	7.4	13.9
Group Enterprise	806	889	-9.3	-8.9
Group Digital Life	(36)	(58)	-37.3	-38.0
International Group	(21)	(16)	30.6	30.6
Corporate	(47)	(34)	35.9	35.9
<b>Group</b>	<b>2,345</b>	<b>2,336</b>	<b>0.4</b>	<b>3.8</b>
<i>(exclude NBN migration revenues)</i>	<i>2,077</i>	<i>2,289</i>	<i>-9.3</i>	<i>-6.5</i>
<b>EBIT (exclude share of associates' pre-tax profits)</b>				
Singapore Consumer	249	256	-2.8	-2.8
Australia Consumer	505	523	-3.5	2.4
Group Enterprise	456	588	-22.5	-22.9
Group Digital Life	(78)	(86)	-9.5	-10.5
International Group	(24)	(19)	26.2	26.2
Corporate	(49)	(36)	37.7	37.7
<b>Group</b>	<b>1,060</b>	<b>1,228</b>	<b>-13.7</b>	<b>-11.3</b>

**Note:**

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding period ended 30 September 2018.

## GROUP ENTERPRISE SUMMARY INCOME STATEMENTS BY REGION

SINGAPORE ENTERPRISE <sup>(1)</sup>

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Managed Services	335	322	3.9	630	593	6.2
Business Application Services	140	121	15.9	271	240	12.6
Cyber Security	114	111	2.4	210	205	2.7
Communications Engineering	29	29	-0.7	56	50	13.9
<b>ICT</b>	<b>617</b>	<b>583</b>	<b>5.9</b>	<b>1,167</b>	<b>1,088</b>	<b>7.3</b>
<i>Digital revenue as % of ICT revenue</i>	43%	39%		43%	40%	
Mobile service	133	153	-12.8	274	309	-11.4
Sale of equipment	75	64	16.9	145	128	12.9
Mobile	208	217	-4.1	418	437	-4.3
Data and Internet	326	334	-2.3	641	660	-2.9
Fixed voice	50	57	-12.5	103	116	-11.5
Others	16	14	9.0	29	32	-11.2
<b>Carriage</b>	<b>599</b>	<b>621</b>	<b>-3.6</b>	<b>1,191</b>	<b>1,245</b>	<b>-4.4</b>
<b>Operating revenue</b>	<b>1,216</b>	<b>1,204</b>	<b>1.0</b>	<b>2,358</b>	<b>2,333</b>	<b>1.1</b>
<b>EBITDA</b>	<b>376</b>	<b>383</b>	<b>-1.7</b>	<b>757</b>	<b>771</b>	<b>-1.9</b>
<i>- margin</i>	<b>30.9%</b>	<b>31.8%</b>		<b>32.1%</b>	<b>33.1%</b>	
<b>ICT as % of total revenue</b>	<b>51%</b>	<b>48%</b>		<b>49%</b>	<b>47%</b>	

**Note:**

(1) Refers to all geographies that Group Enterprise has operations other than Australia.

## AUSTRALIA ENTERPRISE

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$ m	2018 A\$ m		2019 A\$ m	2018 A\$ m	
Managed Services	97	134	-27.6	210	288	-26.8
Cyber Security	24	28	-13.4	48	47	2.8
<b>ICT</b>	<b>121</b>	<b>162</b>	<b>-25.2</b>	<b>259</b>	<b>335</b>	<b>-22.7</b>
<i>Digital revenue as % of ICT revenue</i>	30%	32%		31%	28%	
Mobile service	36	45	-18.2	77	90	-14.2
Sale of equipment	19	23	-15.9	38	49	-23.4
Mobile	55	67	-17.4	115	139	-17.4
Data and Internet	62	77	-19.1	128	154	-17.4
Fixed voice	51	63	-18.5	103	127	-18.6
<b>Carriage</b>	<b>169</b>	<b>207</b>	<b>-18.4</b>	<b>346</b>	<b>421</b>	<b>-17.8</b>
<b>Operating revenue</b>	<b>290</b>	<b>369</b>	<b>-21.4</b>	<b>605</b>	<b>755</b>	<b>-19.9</b>
<b>EBITDA</b>	<b>14</b>	<b>57</b>	<b>-76.0</b>	<b>53</b>	<b>117</b>	<b>-55.0</b>
<i>- margin</i>	<b>4.7%</b>	<b>15.5%</b>		<b>8.7%</b>	<b>15.5%</b>	
<b>ICT as % of total revenue</b>	<b>42%</b>	<b>44%</b>		<b>43%</b>	<b>44%</b>	

**OPTUS FINANCIALS IN AUSTRALIAN DOLLARS****OPTUS SUMMARY INCOME STATEMENT**

For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$ m	2018 A\$ m		2019 A\$ m	2018 A\$ m	
<b>Operating revenue</b>	<b>2,207</b>	<b>2,199</b>	<b>0.4</b>	<b>4,457</b>	<b>4,377</b>	<b>1.8</b>
Operating expenses	(1,535)	(1,607)	-4.5	(3,127)	(3,166)	-1.2
Other income	31	39	-20.9	60	76	-21.5
<b>EBITDA - margin</b>	<b>703 31.9%</b>	<b>631 28.7%</b>	<b>11.4</b>	<b>1,390 31.2%</b>	<b>1,287 29.4%</b>	<b>8.0</b>
Share of results of joint ventures	*	*	nm	*	*	nm
<b>EBITDA and share of results of joint ventures</b>	<b>703</b>	<b>631</b>	<b>11.4</b>	<b>1,390</b>	<b>1,287</b>	<b>8.0</b>
Depreciation & amortisation	(455)	(368)	23.7	(911)	(738)	23.4
<b>EBIT</b>	<b>248</b>	<b>263</b>	<b>-5.7</b>	<b>479</b>	<b>549</b>	<b>-12.5</b>
Net finance expense	(59)	(49)	20.4	(122)	(97)	25.3
<b>Profit before exceptional items and tax</b>	<b>189</b>	<b>214</b>	<b>-11.6</b>	<b>358</b>	<b>452</b>	<b>-20.8</b>
Taxation	(55)	(64)	-14.7	(106)	(137)	-22.3
<b>Underlying net profit</b>	<b>134</b>	<b>150</b>	<b>-10.3</b>	<b>252</b>	<b>315</b>	<b>-20.2</b>
Exceptional items (post-tax)	(4)	(45)	-90.2	(17)	(57)	-69.9
<b>Net profit</b>	<b>130</b>	<b>105</b>	<b>24.2</b>	<b>235</b>	<b>259</b>	<b>-9.3</b>

“\*” denotes less than +/- A\$0.5 million.

**OPTUS SUMMARY STATEMENTS OF FINANCIAL POSITION**

	As at		
	30 Sep	30 Jun	31 Mar
	2019	2019	2019
	A\$ m	A\$ m	A\$ m
Current assets (excluding cash)	3,731	3,692	3,753
Cash and bank balances	86	109	96
Right-Of-Use assets	1,583	1,576	-
Other non-current assets	13,975	14,102	14,166
<b>Total assets</b>	<b>19,375</b>	<b>19,479</b>	<b>18,014</b>
Current liabilities	5,590	4,607	4,613
Non-current liabilities	3,563	4,807	3,409
<b>Total liabilities</b>	<b>9,153</b>	<b>9,414</b>	<b>8,021</b>
<b>Net assets</b>	<b>10,222</b>	<b>10,064</b>	<b>9,993</b>
Share capital	5,317	5,317	5,317
Retained earnings and other reserves	4,905	4,748	4,676
<b>Equity attributable to shareholders</b>	<b>10,222</b>	<b>10,064</b>	<b>9,993</b>

## OPTUS CASH FLOW STATEMENT

### For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY Chg %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 A\$ m	2018 A\$ m		2019 A\$ m	2018 A\$ m	
<b>Net cash inflow from operating activities</b>						
<b>Profit before exceptional items and tax</b>	<b>189</b>	<b>214</b>	<b>-11.6</b>	<b>358</b>	<b>452</b>	<b>-20.8</b>
Non-cash items	507	361	40.7	1,005	765	31.4
<b>Operating cash flow before working capital changes</b>	<b>697</b>	<b>575</b>	<b>21.2</b>	<b>1,363</b>	<b>1,216</b>	<b>12.0</b>
Changes in operating assets and liabilities	(11)	62	nm	(64)	(121)	-47.3
Tax paid	(65)	(105)	-38.1	(109)	(160)	-31.9
<b>Operating cash flow</b>	<b>620</b>	<b>531</b>	<b>16.8</b>	<b>1,190</b>	<b>935</b>	<b>27.2</b>
<b>Net cash outflow for investing activities</b>						
Accrued capital expenditure	(295)	(329)	-10.4	(535)	(590)	-9.3
Changes in creditors' balances	32	92	-65.4	(68)	78	nm
Cash capital expenditure	(264)	(238)	10.8	(603)	(512)	17.8
Loan to STAI <sup>(1)</sup>	(109)	(117)	-6.5	(109)	(117)	-6.5
Payment for purchase of spectrum	(3)	(3)	0.5	(31)	(37)	-16.0
Payment for purchase of other intangibles	(24)	(24)	-0.8	(44)	(37)	19.3
Others	3	1	337.6	4	1	174.5
	<b>(397)</b>	<b>(381)</b>	<b>4.1</b>	<b>(784)</b>	<b>(702)</b>	<b>11.7</b>
<b>Net cash outflow for financing activities</b>						
Net decrease in borrowings	(178)	(111)	60.2	(284)	(151)	88.0
Net interest paid on borrowings and swaps	(66)	(44)	50.6	(123)	(93)	32.2
Purchase of Singtel shares	(1)	*	nm	(6)	(5)	14.4
Others	(2)	(6)	-68.3	(2)	(5)	-62.3
	<b>(247)</b>	<b>(161)</b>	<b>52.9</b>	<b>(415)</b>	<b>(255)</b>	<b>62.9</b>
<b>Net change in cash and cash equivalents</b>	<b>(23)</b>	<b>(12)</b>	<b>100.2</b>	<b>(10)</b>	<b>(22)</b>	<b>-53.8</b>
Optus cash and cash equivalents at beginning	109	108	1.0	96	118	-19.0
<b>Optus cash and cash equivalents at end</b>	<b>86</b>	<b>96</b>	<b>-10.8</b>	<b>86</b>	<b>96</b>	<b>-11.1</b>
<b>Optus free cash flow</b>	<b>357</b>	<b>293</b>	<b>21.6</b>	<b>586</b>	<b>423</b>	<b>38.6</b>
<b>Cash capex to operating revenue</b>	<b>12%</b>	<b>11%</b>		<b>14%</b>	<b>12%</b>	

**Note:**

(1) The intercompany amounts are eliminated at the Group level.

**GROUP STATEMENTS OF FINANCIAL POSITION**

	<b>As at</b>		
	<b>30 Sep 2019 <sup>(1)</sup></b> S\$ million	<b>30 Jun 2019 <sup>(1)</sup></b> S\$ million	<b>31 Mar 2019</b> S\$ million
<b>Current assets</b>			
Cash and cash equivalents	551	579	513
Trade and other receivables	5,615	5,703	5,993
Inventories	344	407	418
Derivative financial instruments	411	186	155
	<b>6,921</b>	<b>6,874</b>	<b>7,078</b>
<b>Non-current assets</b>			
Property, plant and equipment	10,588	10,737	11,050
Right-Of-Use ("ROU") assets	2,126	2,159	-
Intangible assets	13,935	13,964	14,017
Associates	2,129	2,092	2,060
Joint ventures	11,702	12,793	12,858
Fair value through other comprehensive income ("FVOCI") investments	527	501	647
Deferred tax assets	250	275	277
Derivative financial instruments	198	311	284
Other non-current receivables	691	668	644
	<b>42,146</b>	<b>43,499</b>	<b>41,837</b>
<b>Total assets</b>	<b>49,067</b>	<b>50,373</b>	<b>48,915</b>
<b>Current liabilities</b>			
Trade and other payables	5,047	5,170	5,817
Advance billings	796	831	812
Current tax liabilities	170	250	255
Borrowings (unsecured)	4,101	2,701	1,846
Borrowings (secured)	436	367	34
Derivative financial instruments	32	10	9
Net deferred gain <sup>(2)</sup>	21	21	21
	<b>10,602</b>	<b>9,350</b>	<b>8,794</b>
<b>Non-current liabilities</b>			
Borrowings (unsecured)	7,644	7,708	8,734
Borrowings (secured)	1,929	1,991	50
Derivative financial instruments	97	132	150
Advance billings	195	192	197
Net deferred gain <sup>(2)</sup>	373	387	375
Deferred tax liabilities	518	505	515
Other non-current liabilities	161	164	290
	<b>10,917</b>	<b>11,078</b>	<b>10,311</b>
<b>Total liabilities</b>	<b>21,518</b>	<b>20,427</b>	<b>19,105</b>
<b>Net assets</b>	<b>27,549</b>	<b>29,946</b>	<b>29,810</b>
<b>Share capital and reserves</b>			
Share capital	4,127	4,127	4,127
Reserves	23,462	25,853	25,711
<b>Equity attributable to shareholders of the Company</b>	<b>27,590</b>	<b>29,980</b>	<b>29,838</b>
Minority interests and other reserve	(41)	(34)	(28)
<b>Total equity</b>	<b>27,549</b>	<b>29,946</b>	<b>29,810</b>

**Notes:**(1) Include the effects on adoption of SFRS(I) 16, *Leases*, effective from 1 April 2019.

(2) Relates to deferred gain on transfer of certain assets to NetLink Trust.

## GROUP CASH FLOW STATEMENT

### For The Second Quarter And Half Year Ended 30 September 2019

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Net cash inflow from operating activities</b>						
<b>Profit before exceptional items and tax</b>	<b>981</b>	<b>811</b>	<b>20.9</b>	<b>1,828</b>	<b>1,810</b>	<b>1.0</b>
Non-cash items	179	268	-33.3	508	451	12.7
<b>Operating cash flow before working capital changes</b>	<b>1,159</b>	<b>1,079</b>	<b>7.5</b>	<b>2,336</b>	<b>2,261</b>	<b>3.3</b>
<b>Changes in operating assets and liabilities</b>	<b>(61)</b>	<b>(31)</b>	<b>98.7</b>	<b>(313)</b>	<b>(290)</b>	<b>8.0</b>
Cash paid to employees under performance share plans	*	-	nm	*	*	nm
Tax paid on operating activities	(141)	(225)	-37.3	(223)	(283)	-20.9
<b>Operating cash flow before dividends from associates</b>	<b>957</b>	<b>823</b>	<b>16.3</b>	<b>1,799</b>	<b>1,688</b>	<b>6.6</b>
Dividends/ Distributions received from associates	210	227	-7.6	1,219	1,409	-13.5
Withholding tax paid on dividends received	(22)	(20)	7.9	(122)	(136)	-10.2
	<b>1,145</b>	<b>1,030</b>	<b>11.2</b>	<b>2,896</b>	<b>2,961</b>	<b>-2.2</b>
<b>Net cash outflow for investing activities</b>						
<i>Accrued capital expenditure</i>	(425)	(410)	3.6	(703)	(785)	-10.4
<i>Changes in creditors' balances</i>	49	56	-11.8	(200)	(34)	485.4
Cash capital expenditure	(375)	(354)	6.1	(903)	(819)	10.3
Investment in associates	(12)	-	nm	(747)	-	nm
Proceeds/ Deferred proceeds from disposal of an associate	2	-	nm	4	4	2.5
Payment for purchase of spectrum	(3)	(3)	-6.9	(29)	(37)	-21.4
Payment for purchase of other intangibles	(41)	(38)	7.4	(74)	(59)	26.0
Payment for acquisition of intangibles and other assets	-	(123)	nm	-	(123)	nm
Investment in venture investments	(67)	(15)	334.6	(73)	(24)	200.8
Proceeds from disposal of venture investments	3	4	-13.5	17	7	163.1
Proceeds from disposal of property, plant and equipment	5	20	-77.2	5	138	-96.7
Withholding tax paid on interest received on inter-company loans	(10)	(12)	-12.1	(10)	(12)	-12.1
Payment for acquisition of non-controlling interests	-	-	-	-	(16)	nm
Investment income from FVOCI investments	-	-	-	55	*	nm
Others	1	2	-26.3	3	3	**
	<b>(496)</b>	<b>(520)</b>	<b>-4.5</b>	<b>(1,752)</b>	<b>(938)</b>	<b>86.7</b>
<b>Net cash outflow for financing activities</b>						
Net increase in borrowings	1,193	1,389	-14.1	885	70	@
Settlement of swap for bonds repaid	-	17	nm	-	20	nm
Net interest paid on borrowings and swaps	(116)	(81)	42.1	(226)	(178)	27.4
Final dividend paid to shareholders	(1,747)	(1,747)	**	(1,747)	(1,747)	**
Purchase of performance shares	(4)	(8)	-52.6	(12)	(15)	-20.7
Others	1	1	160.0	1	1	160.0
	<b>(672)</b>	<b>(429)</b>	<b>56.7</b>	<b>(1,098)</b>	<b>(1,848)</b>	<b>-40.6</b>
<b>Net change in cash and cash equivalents</b>	<b>(23)</b>	<b>82</b>	<b>nm</b>	<b>45</b>	<b>175</b>	<b>-74.2</b>
Exchange effects on cash and cash equivalents	(5)	*	nm	(7)	8	nm
<b>Cash and cash equivalents at beginning of period</b>	<b>579</b>	<b>625</b>	<b>-7.3</b>	<b>513</b>	<b>525</b>	<b>-2.3</b>
<b>Cash and cash equivalents at end of period</b>	<b>551</b>	<b>707</b>	<b>-22.1</b>	<b>551</b>	<b>707</b>	<b>-22.1</b>
<b>Group free cash flow (before associates' dividends/ distributions)</b>	<b>582</b>	<b>469</b>	<b>24.0</b>	<b>896</b>	<b>869</b>	<b>3.1</b>
Dividends/ Distributions received from associates (net of withholding tax)	188	207	-9.1	1,097	1,273	-13.9
<b>Group free cash flow</b>	<b>770</b>	<b>676</b>	<b>13.8</b>	<b>1,993</b>	<b>2,142</b>	<b>-7.0</b>
<b>Cash capex to operating revenue</b>	<b>9%</b>	<b>8%</b>		<b>11%</b>	<b>10%</b>	

“\*” denotes less than +/- S\$0.5 million, “\*\*\*” denotes less than +/- 0.05% and “@” denotes more than +/- 500%.

## CURRENCY RISK MANAGEMENT AND OTHER MATTERS

The Group maintains a policy to substantially hedge 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 approved by the Finance and Investment Committee.

The Group has borrowings denominated in foreign currencies that have primarily been hedged into the functional currency of the respective borrowing entities using cross currency swaps in order to reduce the foreign currency exposure on these borrowings. As the hedges are perfect, any change in the fair value of the cross currency swaps has minimal impact on profit and equity.

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.

## CREDIT RATINGS

	<b>Singtel</b>	<b>Optus</b>
S&P Global Ratings	A+ (negative)	A (negative)
Moody's Investors Service	A1 (negative)	A2 (negative)

## MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate <sup>(1)</sup> for:							
Operating revenue							
<u>SGD</u>							
FY2020	0.9545	0.9425	<input type="checkbox"/>	<input type="checkbox"/>	0.9486	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	1.0099	0.9997	0.9864	0.9650	1.0048	0.9759	0.9898
Change (last corresponding period)	-5.5%	-5.7%	<input type="checkbox"/>	<input type="checkbox"/>	-5.6%	<input type="checkbox"/>	<input type="checkbox"/>
Underlying net profit							
<u>SGD</u>							
FY2020	0.9524	0.9408	<input type="checkbox"/>	<input type="checkbox"/>	0.9462	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	1.0103	0.9980	0.9867	0.9649	1.0044	0.9743	0.9876
Change (last corresponding period)	-5.7%	-5.7%	<input type="checkbox"/>	<input type="checkbox"/>	-5.8%	<input type="checkbox"/>	<input type="checkbox"/>

1 United States Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate <sup>(2)</sup> for:							
Operating revenue							
<u>SGD</u>							
FY2020	1.3629	1.3755	<input type="checkbox"/>	<input type="checkbox"/>	1.3691	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	1.3346	1.3644	1.3722	1.3546	1.3507	1.3646	1.3580
Change (last corresponding period)	2.1%	0.8%	<input type="checkbox"/>	<input type="checkbox"/>	1.4%	<input type="checkbox"/>	<input type="checkbox"/>

**Notes:**

- (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.
- (2) The income statements of Trustwave, Amobee and HOOQ are translated from United States Dollar to Singapore Dollar based on these derived weighted average exchanges rates for the period to date.

1 Singapore Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
<b>Rupiah</b>							
FY2020	10,417	10,309	<input type="checkbox"/>	<input type="checkbox"/>	10,417	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	10,417	10,638	10,753	10,417	10,526	10,638	10,526
Change (last corresponding period)	**	-3.1%	<input type="checkbox"/>	<input type="checkbox"/>	-1.0%	<input type="checkbox"/>	<input type="checkbox"/>
<b>Indian Rupee</b>							
FY2020	51.0	51.3	<input type="checkbox"/>	<input type="checkbox"/>	51.0	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	50.3	51.3	52.4	52.1	50.8	52.1	51.5
Change (last corresponding period)	1.4%	**	<input type="checkbox"/>	<input type="checkbox"/>	0.4%	<input type="checkbox"/>	<input type="checkbox"/>
<b>Baht</b>							
FY2020	23.2	22.3	<input type="checkbox"/>	<input type="checkbox"/>	22.7	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	23.9	24.1	23.9	23.4	24.0	23.6	23.8
Change (last corresponding period)	-2.9%	-7.5%	<input type="checkbox"/>	<input type="checkbox"/>	-5.4%	<input type="checkbox"/>	<input type="checkbox"/>
<b>Peso</b>							
FY2020	38.2	37.6	<input type="checkbox"/>	<input type="checkbox"/>	37.9	<input type="checkbox"/>	<input type="checkbox"/>
FY2019	39.4	39.2	38.6	38.6	39.2	38.6	38.9
Change (last corresponding period)	-3.0%	-4.1%	<input type="checkbox"/>	<input type="checkbox"/>	-3.3%	<input type="checkbox"/>	<input type="checkbox"/>

“\*\*” denotes less than +/- 0.05%.

**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 SFRS(I) and is not intended to replace the financial statements prepared in accordance with SFRS(I). 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.

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
<b>Group operating revenue</b>						
Optus	2,080	2,198	-5.4	4,228	4,398	-3.9
Singapore	1,658	1,626	2.0	3,207	3,178.2	0.9
Other overseas subsidiaries (incl. Amobee & Trustwave)	414	446	-7.2	829	828	0.2
	<b>4,152</b>	<b>4,270</b>	<b>-2.8</b>	<b>8,265</b>	<b>8,404</b>	<b>-1.7</b>
<b>Proportionate share of associates' revenue</b>						
Regional associates	3,243	3,206	1.2	6,522	6,347	2.7
Singapore associates	117	117	0.2	248	247	0.4
Other overseas associates	10	12	-15.4	21	23	-7.8
	<b>3,371</b>	<b>3,335</b>	<b>1.1</b>	<b>6,791</b>	<b>6,617</b>	<b>2.6</b>
<b>Total proportionate revenue</b>	<b>7,522</b>	<b>7,605</b>	<b>-1.1</b>	<b>15,056</b>	<b>15,021</b>	<b>0.2</b>
<b>% of overseas revenue to total proportionate revenue</b>	<b>76%</b>	<b>77%</b>		<b>77%</b>	<b>77%</b>	
<b>Group EBITDA</b>						
Optus	662	631	5.0	1,318	1,293	1.9
Singapore	561	566	-0.8	1,167	1,195	-2.3
Other overseas subsidiaries (incl. Amobee & Trustwave)	(62)	(68)	-9.0	(139)	(153)	-8.8
	<b>1,162</b>	<b>1,129</b>	<b>2.9</b>	<b>2,345</b>	<b>2,336</b>	<b>0.4</b>
<b>Proportionate share of associates' EBITDA</b>						
Regional associates	1,647	1,309	25.8	3,199	2,628	21.7
Singapore associates	32	28	13	59	57	3.1
Other overseas associates	10	11	-11.9	21	24	-13.6
	<b>1,689</b>	<b>1,349</b>	<b>25.2</b>	<b>3,279</b>	<b>2,709</b>	<b>21</b>
<b>Total proportionate EBITDA</b>	<b>2,851</b>	<b>2,477</b>	<b>15.1</b>	<b>5,625</b>	<b>5,045</b>	<b>11.5</b>
<b>% of overseas EBITDA to total proportionate EBITDA</b>	<b>79%</b>	<b>76%</b>		<b>78%</b>	<b>75%</b>	
<b>Contributions to total proportionate EBITDA</b>						
Regional associates	58%	53%		57%	52%	
Australia	23%	25%		23%	26%	
Singapore	21%	24%		22%	25%	
Others	-2%	-2%		-2%	-3%	
	<b>100%</b>	<b>100%</b>		<b>100%</b>	<b>100%</b>	

**MOBILE CUSTOMER BASE**

Number of mobile customers (000s)	Total Number		
	30 Sep 2019	30 Jun 2019	30 Sep 2018
Singtel	4,254	4,216	4,126
Optus	10,293	10,285	10,171
	<b>14,547</b>	<b>14,501</b>	<b>14,297</b>
<b>Regional Associates</b>			
Airtel			
- India	279,430	281,132	332,764
- Africa	103,881	99,670	94,096
- South Asia	2,840	2,573	2,427
	386,151	383,375	429,287
Telkomsel	170,928	167,792	167,809
ALS	41,558	41,464	40,647
Globe	97,358	92,942	65,360
	<b>695,995</b>	<b>685,573</b>	<b>703,103</b>
<b>Group</b>	<b>710,542</b>	<b>700,074</b>	<b>717,400</b>