



Singtel Extraordinary General Meeting

Chua Sock Koong, Group CEO

14 October 2016



Forward looking statements – important note

The following presentation may contain forward looking statements relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not statements of historical facts may be forward looking statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives of Singapore Telecommunications Limited (“Singtel”). Forward looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements are based on current expectations, views and assumptions of Singtel, in light of currently available information, including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties, many of which are beyond Singtel’s control, that could cause actual results, performance or events to differ materially from those contained in such forward-looking statements. Forward-looking statements that reference past trend or activities should not be taken as a representation that such trends or activities will necessarily continue in the future. Such statements are not, and should not be construed as a guarantee of, or representation as to, the future performance of Singtel, or regarded as a forecast or projection of the future performance of Singtel. It should be noted that the actual performance of Singtel may vary significantly from that described in such forward-looking statements. Recipients of this presentation should not place undue reliance on such forward-looking statements, and none of the Singtel group, or its affiliates, agents, advisors or representatives undertake any obligation to update or revise any of the forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

“S\$” means Singapore dollars, “THB” means Thai Baht, “INR” means Indian Rupees and “US\$” means United States dollars, unless otherwise indicated. Any discrepancies between individual amounts and totals are due to rounding.

Purpose of the EGM

- To seek shareholders' approval for **3 inter-conditional transactions**:
 1. The proposed acquisition of shares in Intouch Holdings Public Company Limited (“Intouch”);
 2. The proposed acquisition of shares in Bharti Telecom Limited (“BTL”);
and
 3. The proposed placement of shares in Singtel

Requirement for shareholders' approval

- Shareholders' approval required as:
 1. Each of the 3 transactions constitutes an “interested person transaction” exceeding the 5% NTA⁽¹⁾ threshold; and
 2. The placement is being made to a subsidiary of Temasek (a substantial shareholder of Singtel)
- Temasek and its associates will abstain from voting

¹ Net Tangible Assets

Agenda

1 • Transaction overview

2 • Transaction rationale

3 • Pro forma financial impact

4 • Opinion by Independent Financial Adviser

5 • Recommendation by Independent Directors

Overview of the proposed transaction

Acquisition of stakes in Intouch and BTL from Temasek

	Intouch Transaction	BTL Transaction	Placement to Temasek
Transaction Overview	<ul style="list-style-type: none"> 21.0% stake 	<ul style="list-style-type: none"> 7.39% stake 	<ul style="list-style-type: none"> 386 million new Singtel shares representing 2.36% of the enlarged share capital
Price	<ul style="list-style-type: none"> THB 60.83 per Intouch share 20 trading days VWAP⁽²⁾ 	<ul style="list-style-type: none"> INR 235.62⁽¹⁾ per BTL share 10% discount off 20 trading days VWAP of Airtel⁽²⁾ 	<ul style="list-style-type: none"> S\$4.16 per share 1.0% discount off 20 trading days VWAP
Consideration	<ul style="list-style-type: none"> Approx. S\$ 1,585 million⁽³⁾ 	<ul style="list-style-type: none"> Approx. S\$ 884 million⁽⁴⁾ 	<ul style="list-style-type: none"> Approx. S\$ 1,605 million
Aggregate Consideration	<ul style="list-style-type: none"> S\$2.47 billion in cash Funded by S\$1.605 billion in proceeds from placement of shares, internal cash and short-term debt 		

¹ Including adjustments for the balance proceeds from BTL's rights issue completed in February 2016

² VWAP: Volume-weighted average price for 20 trading days prior to 18 August 2016

³ Based on an exchange rate of THB25.84 to SGD1

⁴ Based on an exchange rate of INR49.72 to SGD1

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Transaction rationale and benefits

Enhance shareholder value

✓ Unique opportunity to increase economic exposure to high growth telecom sectors in Thailand and India

✓ Increase interests in quality assets

✓ Support Singtel's strategy to drive long term earnings growth by maximising the value of its existing regional investments

Overview of Intouch

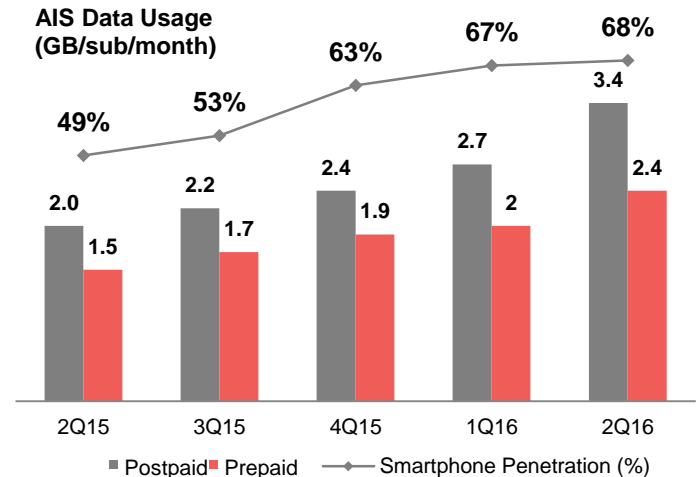


Large attractive market with improving fundamentals

- Thailand: 68 million population. 70% below 50 years old ⁽³⁾
- AIS: #1 mobile operator with 39 million customers & ~50% revenue market share in 3-player market

Capturing data usage growth

- Growing data usage and smartphone adoption
- Strong spectrum holdings & network investments
 - ❖ Long term spectrum in 900MHz, 1800MHz & 2100MHz
 - ❖ 4G coverage to reach 80% by year end & 98% by Q1 2017
- Complementary fibre broadband investments drive future growth
 - ❖ Fibre rollout targeted to cover 6.5m homes-passed by Dec 2016



¹ Bloomberg as of 12 October 2016 ² Includes ITAS, MB, ITV, VS and Intouch Media ³ UN Department of Economic and Social Affairs as of 2015

Overview of BTL

BTL

45.48%

airtel
Market Cap⁽¹⁾:
S\$26.1 billion

Large attractive market with improving fundamentals

- India: >1 billion population. 82% ⁽²⁾ below 50 years old
- Airtel: #1 mobile operator in India with 342 million customers and 32% revenue market share⁽³⁾
- Market structure: Top 3 operators accounted for 75% of industry revenue, with recent service launch by new operator Reliance Jio

Differentiated spectrum portfolio and network investments

- Most extensive spectrum portfolio and network coverage

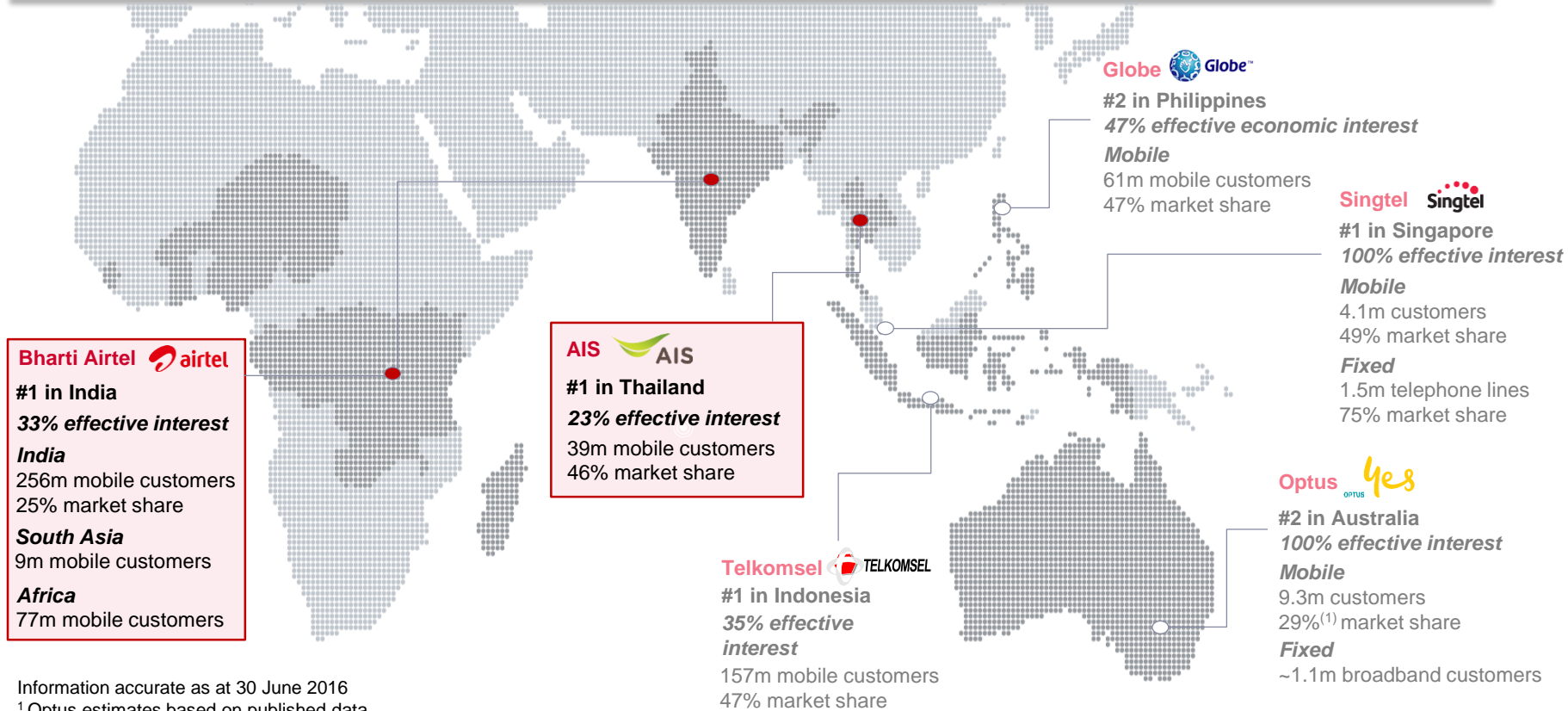
	4G Footprint	3G Footprint
	22 circles	22 circles
	17 circles	17 circles
	20 circles	16 circles
	22 circles	

¹ Bloomberg as of 12 October 2016

² UN Department of Economic and Social Affairs as of 2015

³ TRAI as at 31 March 2016

Maximising value of existing regional investments

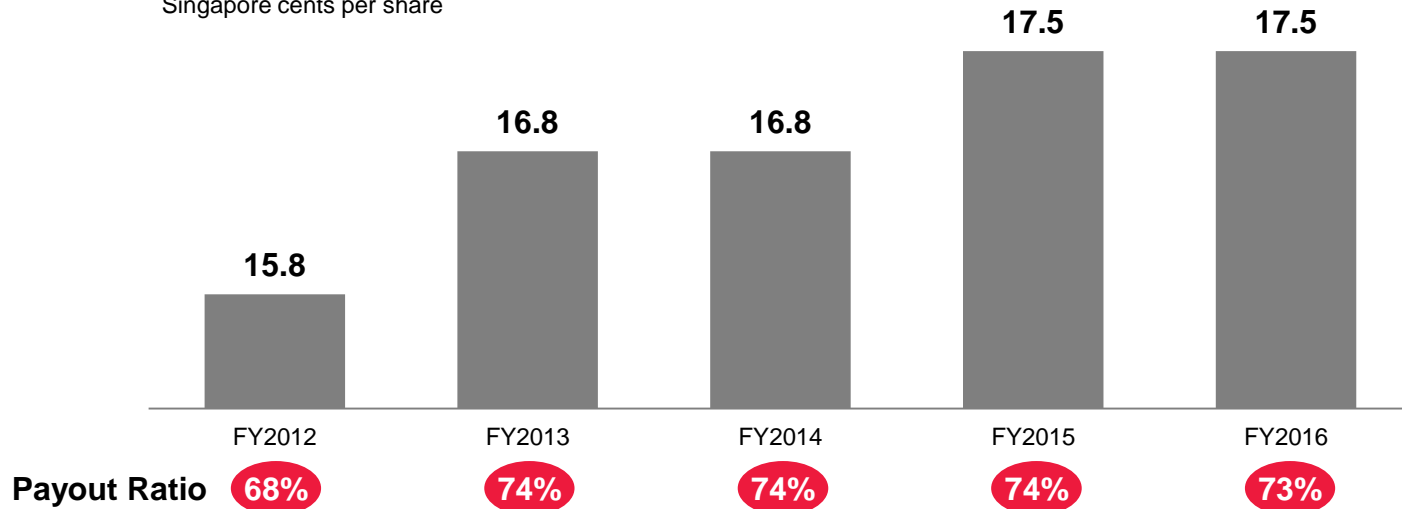


Information accurate as at 30 June 2016
¹ Optus estimates based on published data

Dividend policy unchanged

History of dividends

Singapore cents per share



Singtel's dividend payout ratio is between 60% and 75% of underlying net profit
 Proposed transactions are not expected to affect Singtel's dividend policy

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Pro forma financial impact

For illustration only:

Group Earnings

for the year ended 31
March 2016

	Actual	Pro Forma ¹
Profits attributable to shareholders (S\$ million)	3,871	3,979
Earnings per share (S cents)	24.3	24.4

EPS Accretion: 0.4%

Group Net Tangible Assets

as at 31 March 2016

	Actual	Pro Forma ¹
NTA (S\$ million)	12,164	13,770
NTA per share (S cents)	76.3	84.4

¹ The pro forma financial effects of the transactions set out in this presentation are prepared purely for illustrative purposes only and should not be construed to represent the actual financial situation of the Singtel Group immediately after the transactions, or the future financial performance of the Singtel Group.

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Opinion of Independent Financial Adviser

- Lazard has been appointed as the Independent Financial Adviser in relation to the proposed acquisitions and placement
- Lazard is of the opinion that the terms of the acquisitions and the placement, each taken individually and on a combined basis, as interested person transactions are:
 1. **on normal commercial terms; and**
 2. **not prejudicial to the interests of Singtel and its minority shareholders**

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Recommendation by Independent Directors

- The Independent Directors are unanimously of the view that:
 1. **the acquisitions and the placement are in the best interests of Singtel and its Shareholders**
 2. **shareholders vote in favour of the resolution**

Shareholders' approval sought

- **Shareholders' approval sought for 3 inter-conditional transactions** (under a single resolution):
 1. The proposed acquisition of shares in Intouch;
 2. The proposed acquisition of shares in BTL; and
 3. The proposed placement of shares in Singtel

The Independent Directors recommend that shareholders vote in favour of the resolution.

