



**SINGAPORE TELECOMMUNICATIONS LIMITED  
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT  
FOR THE THIRD QUARTER AND NINE MONTHS  
ENDED 31 DECEMBER 2015**

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**CONSOLIDATED INCOME STATEMENT***For the third quarter and nine months ended 31 December 2015*

	Notes	Quarter 31 Dec		Nine Months 31 Dec	
		2015	2014	2015	2014
		S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Operating revenue		<b>4,474.4</b>	4,427.0	<b>12,867.3</b>	12,884.0
Operating expenses	2	<b>(3,290.1)</b>	(3,231.6)	<b>(9,232.1)</b>	(9,164.5)
Other income	3	<b>35.8</b>	33.3	<b>115.7</b>	97.3
		<b>1,220.1</b>	1,228.7	<b>3,750.9</b>	3,816.8
Depreciation and amortisation	4	<b>(537.0)</b>	(541.1)	<b>(1,603.6)</b>	(1,618.9)
		<b>683.1</b>	687.6	<b>2,147.3</b>	2,197.9
Exceptional items	5	<b>(14.0)</b>	1.7	<b>2.1</b>	28.7
<b>Profit on operating activities</b>		<b>669.1</b>	689.3	<b>2,149.4</b>	2,226.6
Associates and joint ventures					
- share of ordinary results		<b>698.3</b>	683.3	<b>2,047.8</b>	1,960.4
- share of tax of ordinary results		<b>(219.1)</b>	(205.6)	<b>(665.8)</b>	(637.2)
- share of exceptional items (post-tax)	6	<b>(19.4)</b>	(21.3)	<b>84.8</b>	(57.9)
- write-back of impairment provision on an associate	7	<b>31.7</b>	-	<b>31.7</b>	-
		<b>491.5</b>	456.4	<b>1,498.5</b>	1,265.3
<b>Profit before interest, investment income (net) and tax</b>		<b>1,160.6</b>	1,145.7	<b>3,647.9</b>	3,491.9
Interest and investment income (net)	8	<b>30.2</b>	11.2	<b>88.6</b>	66.1
Finance costs	9	<b>(93.1)</b>	(80.6)	<b>(262.3)</b>	(230.8)
<b>Profit before tax</b>		<b>1,097.7</b>	1,076.3	<b>3,474.2</b>	3,327.2
Tax expense	10	<b>(148.1)</b>	(105.1)	<b>(556.3)</b>	(480.2)
<b>Profit after tax</b>		<b>949.6</b>	971.2	<b>2,917.9</b>	2,847.0
<b>Attributable to:</b>					
Shareholders of the Company		<b>953.5</b>	969.8	<b>2,924.8</b>	2,842.7
Non-controlling interests		<b>(3.9)</b>	1.4	<b>(6.9)</b>	4.3
		<b>949.6</b>	971.2	<b>2,917.9</b>	2,847.0
<b>Earnings per share attributable to shareholders of the Company</b>					
- basic	11	<b>5.98¢</b>	6.08¢	<b>18.35¢</b>	17.84¢
- diluted	11	<b>5.97¢</b>	6.07¢	<b>18.33¢</b>	17.79¢

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the third quarter and nine months ended 31 December 2015*

	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
<b>Profit after tax</b>	<b>949.6</b>	<b>971.2</b>	<b>2,917.9</b>	<b>2,847.0</b>
<b>Other comprehensive income/ (loss)</b>				
<b>Items that may be reclassified subsequently to income statement:</b>				
Exchange differences arising from translation of foreign operations and other currency translation differences for the period	156.2	(126.8)	(421.4)	(595.1)
Cash flow hedges				
- Fair value changes during the period	(162.3)	246.6	259.3	361.6
- Tax effects	37.7	(17.9)	(28.8)	(29.3)
	(124.6)	228.7	230.5	332.3
- Fair value changes transferred to income statement	127.6	(183.1)	(167.7)	(219.4)
- Tax effects	(32.7)	23.9	27.6	28.2
	94.9	(159.2)	(140.1)	(191.2)
	(29.7)	69.5	90.4	141.1
Fair value changes on available-for-sale investments during the period	(14.2)	(37.0)	(39.8)	32.7
Share of other comprehensive gain/ (loss) of associates and joint ventures	4.8	(18.1)	29.7	68.2
Other comprehensive income/ (loss), net of tax	117.1	(112.4)	(341.1)	(353.1)
<b>Total comprehensive income</b>	<b>1,066.7</b>	<b>858.8</b>	<b>2,576.8</b>	<b>2,493.9</b>
<b>Attributable to:</b>				
Shareholders of the Company	1,070.8	857.3	2,583.6	2,489.5
Non-controlling interests	(4.1)	1.5	(6.8)	4.4
	<b>1,066.7</b>	<b>858.8</b>	<b>2,576.8</b>	<b>2,493.9</b>

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2015

	Notes	Group		Company	
		As at 31 Dec 15 S\$ Mil (Unaudited)	As at 31 Mar 15 S\$ Mil (Audited)	As at 31 Dec 15 S\$ Mil (Unaudited)	As at 31 Mar 15 S\$ Mil (Audited)
<b>Current assets</b>					
Cash and cash equivalents		685.9	562.8	120.0	83.5
Trade and other receivables		4,273.1	3,885.2	538.5	534.2
Due from subsidiaries		-	-	2,005.0	1,908.2
Derivative financial instruments		19.5	29.8	14.6	29.9
Inventories		313.9	289.8	22.0	26.8
		<b>5,292.4</b>	<b>4,767.6</b>	<b>2,700.1</b>	<b>2,582.6</b>
<b>Non-current assets</b>					
Property, plant and equipment		10,588.7	10,683.2	2,000.6	2,047.2
Intangible assets		13,122.0	11,948.6	0.4	0.7
Subsidiaries		-	-	13,918.4	13,515.0
Joint ventures		10,506.8	10,571.0	21.2	22.1
Associates		336.9	275.2	603.5	603.5
Loan to an associate		1,610.5	1,610.5	1,610.5	1,610.5
Available-for-sale investments ("AFS")		200.9	268.3	37.4	43.6
Derivative financial instruments		818.4	742.1	473.0	463.5
Deferred tax assets		805.0	803.8	-	-
Other non-current receivables		595.1	396.5	197.2	182.6
		<b>38,584.3</b>	<b>37,299.2</b>	<b>18,862.2</b>	<b>18,488.7</b>
<b>Total assets</b>		<b>43,876.7</b>	<b>42,066.8</b>	<b>21,562.3</b>	<b>21,071.3</b>
<b>Current liabilities</b>					
Trade and other payables		4,061.6	4,464.3	838.7	1,004.0
Due to subsidiaries		-	-	546.0	385.6
Advance billings		793.6	614.0	74.9	68.9
Current tax liabilities		438.9	419.4	184.4	140.2
Borrowings (unsecured)	13	250.0	150.0	-	-
Borrowings (secured)	13	92.2	24.4	0.3	1.5
Derivative financial instruments		5.8	16.8	3.4	1.9
Net deferred gain		67.9	67.9	-	-
Dividend payable		1,084.2	-	1,084.2	-
		<b>6,794.2</b>	<b>5,756.8</b>	<b>2,731.9</b>	<b>1,602.1</b>
<b>Non-current liabilities</b>					
Borrowings (unsecured)	13	9,588.8	8,590.9	780.9	925.2
Borrowings (secured)	13	245.1	213.5	160.3	160.4
Derivative financial instruments		241.0	265.4	504.0	447.3
Advance billings		279.6	265.3	148.3	150.8
Net deferred gain		1,298.6	1,369.8	-	-
Deferred tax liabilities		582.9	521.7	276.1	248.9
Other non-current liabilities		304.4	315.5	15.3	30.0
		<b>12,540.4</b>	<b>11,542.1</b>	<b>1,884.9</b>	<b>1,962.6</b>
<b>Total liabilities</b>		<b>19,334.6</b>	<b>17,298.9</b>	<b>4,616.8</b>	<b>3,564.7</b>
<b>Net assets</b>		<b>24,542.1</b>	<b>24,767.9</b>	<b>16,945.5</b>	<b>17,506.6</b>
<b>Share capital and reserves</b>					
Share capital	14	2,634.0	2,634.0	2,634.0	2,634.0
Reserves		21,897.6	22,099.3	14,311.5	14,872.6
<b>Equity attributable to shareholders of the Company</b>					
		<b>24,531.6</b>	<b>24,733.3</b>	<b>16,945.5</b>	<b>17,506.6</b>
Non-controlling interests		32.9	34.6	-	-
Other reserve		(22.4)	-	-	-
<b>Total equity</b>		<b>24,542.1</b>	<b>24,767.9</b>	<b>16,945.5</b>	<b>17,506.6</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the third quarter ended 31 December 2015*

Group - 2015	Currency								Non-		Total Equity S\$ Mil	
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil	controlling Interests S\$ Mil		Other Reserve <sup>(4)</sup> S\$ Mil
Balance as at 1 October 2015	2,634.0	(21.0)	(130.4)	(4,791.2)	116.2	102.4	27,738.1	(1,106.5)	24,541.6	41.9	(22.4)	24,561.1
Changes in equity for the quarter												
Performance shares purchased by Trust <sup>(5)</sup>	-	(3.7)	-	-	-	-	-	-	(3.7)	-	-	(3.7)
Performance shares vested	-	0.2	(0.2)	-	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	6.4	-	-	-	-	-	6.4	-	-	6.4
Share of other reserves of associates and joint ventures	-	-	0.7	-	-	-	-	-	0.7	-	-	0.7
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4.9)	-	(4.9)
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	-	(1,084.2)
	-	(3.5)	6.9	-	-	-	(1,084.2)	-	(1,080.8)	(4.9)	-	(1,085.7)
Total comprehensive income/ (loss) for the quarter	-	-	-	156.4	(29.7)	(14.2)	953.5	4.8	1,070.8	(4.1)	-	1,066.7
<b>Balance as at 31 December 2015</b>	<b>2,634.0</b>	<b>(24.5)</b>	<b>(123.5)</b>	<b>(4,634.8)</b>	<b>86.5</b>	<b>88.2</b>	<b>27,607.4</b>	<b>(1,101.7)</b>	<b>24,531.6</b>	<b>32.9</b>	<b>(22.4)</b>	<b>24,542.1</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the third quarter ended 31 December 2015*

Group - 2014	Attributable to shareholders of the Company										Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil			
				Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil						
Balance as at 1 October 2014	2,634.0	(20.0)	(123.7)	(4,161.3)	(67.2)	175.9	26,645.1	(1,182.1)	23,900.7	26.8	23,927.5	
Changes in equity for the quarter												
Performance shares purchased by Trust <sup>(5)</sup>	-	(6.1)	-	-	-	-	-	-	(6.1)	-	(6.1)	
Performance shares vested	-	0.1	(0.1)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	4.8	-	-	-	-	-	4.8	-	4.8	
Transfer of liability to equity	-	-	0.2	-	-	-	-	-	0.2	-	0.2	
Share of other reserves of associates and joint ventures	-	-	-	-	-	-	-	0.5	0.5	-	0.5	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.6)	(5.6)	
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	(1,084.2)	
Others	-	-	-	-	-	-	1.1	-	1.1	-	1.1	
	-	(6.0)	4.9	-	-	-	(1,083.1)	0.5	(1,083.7)	(5.6)	(1,089.3)	
Total comprehensive (loss)/ income for the quarter	-	-	-	(126.9)	69.5	(37.0)	969.8	(18.1)	857.3	1.5	858.8	
<b>Balance as at 31 December 2014</b>	<b>2,634.0</b>	<b>(26.0)</b>	<b>(118.8)</b>	<b>(4,288.2)</b>	<b>2.3</b>	<b>138.9</b>	<b>26,531.8</b>	<b>(1,199.7)</b>	<b>23,674.3</b>	<b>22.7</b>	<b>23,697.0</b>	

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the third quarter ended 31 December 2015*

Company - 2015	Share Capital S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2015	2,634.0	(69.3)	113.3	27.4	15,098.3	17,803.7
Changes in equity for the quarter						
Equity-settled performance shares	-	2.4	-	-	-	2.4
Contribution to Trust <sup>(5)</sup>	-	(2.7)	-	-	-	(2.7)
Interim dividend payable	-	-	-	-	(1,084.2)	(1,084.2)
	-	(0.3)	-	-	(1,084.2)	(1,084.5)
Total comprehensive (loss)/ income for the quarter	-	-	(18.7)	0.4	244.6	226.3
<b>Balance as at 31 December 2015</b>	<b>2,634.0</b>	<b>(69.6)</b>	<b>94.6</b>	<b>27.8</b>	<b>14,258.7</b>	<b>16,945.5</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the third quarter ended 31 December 2015

Company - 2014	Share Capital S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2014	2,634.0	(63.3)	(58.0)	43.9	14,106.3	16,662.9
Changes in equity for the quarter						
Equity-settled performance shares	-	2.7	-	-	-	2.7
Transfer of liability to equity	-	0.2	-	-	-	0.2
Contribution to Trust <sup>(5)</sup>	-	(4.9)	-	-	-	(4.9)
Interim dividend payable	-	-	-	-	(1,084.2)	(1,084.2)
	-	(2.0)	-	-	(1,084.2)	(1,086.2)
Total comprehensive income/ (loss) for the quarter	-	-	72.4	(8.0)	507.7	572.1
<b>Balance as at 31 December 2014</b>	<b>2,634.0</b>	<b>(65.3)</b>	<b>14.4</b>	<b>35.9</b>	<b>13,529.8</b>	<b>16,148.8</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32, **Financial Instruments: Disclosure and Presentation**.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.
- (4) This amount relates to a reserve for an obligation arising from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("**Trustwave**"). When exercised under certain conditions, this will require Singtel to purchase the remaining 2% equity interest in Trustwave.
- (5) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.



**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2015

Group - 2015	Currency								Total S\$ Mil	Non- controlling Interests S\$ Mil	Other Reserve <sup>(4)</sup> S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil				
Balance as at 1 April 2015	2,634.0	(39.2)	(114.9)	(4,213.3)	(3.9)	128.0	27,471.1	(1,128.5)	24,733.3	34.6	-	24,767.9
Changes in equity for the quarter												
Performance shares purchased by the Company	-	(3.8)	-	-	-	-	-	-	(3.8)	-	-	(3.8)
Performance shares purchased by Trust <sup>(5)</sup>	-	(18.6)	-	-	-	-	-	-	(18.6)	-	-	(18.6)
Performance shares vested	-	37.1	(37.1)	-	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	26.8	-	-	-	-	-	26.8	-	-	26.8
Transfer of liability to equity	-	-	16.4	-	-	-	-	-	16.4	-	-	16.4
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	-	-	(0.5)	-	-	(0.5)
Performance shares purchased by Optus and vested	-	-	(16.1)	-	-	-	-	-	(16.1)	-	-	(16.1)
Share of other reserves of associates and joint ventures	-	-	1.9	-	-	-	-	(2.9)	(1.0)	-	-	(1.0)
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	11.4	-	11.4
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4.9)	-	(4.9)
Final dividend paid	-	-	-	-	-	-	(1,705.4)	-	(1,705.4)	-	-	(1,705.4)
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	-	(1,084.2)
Acquisition of subsidiary <sup>(4)</sup>	-	-	-	-	-	-	-	-	-	(2.1)	(22.4)	(24.5)
Others	-	-	-	-	-	-	1.1	-	1.1	0.7	-	1.8
	-	14.7	(8.6)	-	-	-	(2,788.5)	(2.9)	(2,785.3)	5.1	(22.4)	(2,802.6)
Total comprehensive (loss)/ income for the quarter	-	-	-	(421.5)	90.4	(39.8)	2,924.8	29.7	2,583.6	(6.8)	-	2,576.8
<b>Balance as at 31 December 2015</b>	<b>2,634.0</b>	<b>(24.5)</b>	<b>(123.5)</b>	<b>(4,634.8)</b>	<b>86.5</b>	<b>88.2</b>	<b>27,607.4</b>	<b>(1,101.7)</b>	<b>24,531.6</b>	<b>32.9</b>	<b>(22.4)</b>	<b>24,542.1</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2015

Group - 2014	Attributable to shareholders of the Company										Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil			
Balance as at 1 April 2014	2,634.0	(38.6)	(99.0)	(3,693.0)	(138.8)	106.2	26,366.5	(1,269.1)	23,868.2	24.4	23,892.6	
Changes in equity for the period												
Performance shares purchased by the Company	-	(2.3)	-	-	-	-	-	-	(2.3)	-	(2.3)	
Performance shares purchased by Trust <sup>(5)</sup>	-	(23.4)	-	-	-	-	-	-	(23.4)	-	(23.4)	
Performance shares vested	-	38.3	(38.3)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	20.0	-	-	-	-	-	20.0	-	20.0	
Transfer of liability to equity	-	-	15.2	-	-	-	-	-	15.2	-	15.2	
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)	
Performance shares purchased by Optus and vested	-	-	(15.7)	-	-	-	-	-	(15.7)	-	(15.7)	
Share of other reserves of associates and joint ventures	-	-	(0.8)	-	-	-	-	1.2	0.4	-	0.4	
Final dividend paid	-	-	-	-	-	-	(1,593.8)	-	(1,593.8)	-	(1,593.8)	
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	(1,084.2)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.6)	(5.6)	
Others	-	-	-	-	-	-	0.6	-	0.6	(0.5)	0.1	
	-	12.6	(19.8)	-	-	-	(2,677.4)	1.2	(2,683.4)	(6.1)	(2,689.5)	
Total comprehensive (loss)/ income for the period	-	-	-	(595.2)	141.1	32.7	2,842.7	68.2	2,489.5	4.4	2,493.9	
<b>Balance as at 31 December 2014</b>	<b>2,634.0</b>	<b>(26.0)</b>	<b>(118.8)</b>	<b>(4,288.2)</b>	<b>2.3</b>	<b>138.9</b>	<b>26,531.8</b>	<b>(1,199.7)</b>	<b>23,674.3</b>	<b>22.7</b>	<b>23,697.0</b>	

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the nine months ended 31 December 2015*

Company - 2015	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2015	2,634.0	(3.9)	(70.8)	12.9	34.0	14,900.4	17,506.6
Changes in equity for the period							
Performance shares purchased by the Company	-	(3.6)	-	-	-	-	(3.6)
Performance shares vested	-	7.5	(7.5)	-	-	-	-
Equity-settled performance shares	-	-	8.8	-	-	-	8.8
Transfer of liability to equity	-	-	16.4	-	-	-	16.4
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	(0.5)
Contribution to Trust <sup>(5)</sup>	-	-	(16.0)	-	-	-	(16.0)
Interim dividend payable	-	-	-	-	-	(1,084.2)	(1,084.2)
Final dividend paid	-	-	-	-	-	(1,705.9)	(1,705.9)
	-	3.9	1.2	-	-	(2,790.1)	(2,785.0)
Total comprehensive income/ (loss) for the period	-	-	-	81.7	(6.2)	2,148.4	2,223.9
<b>Balance as at 31 December 2015</b>	<b>2,634.0</b>	<b>-</b>	<b>(69.6)</b>	<b>94.6</b>	<b>27.8</b>	<b>14,258.7</b>	<b>16,945.5</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2015

Company - 2014	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2014	2,634.0	(1.4)	(67.4)	(104.5)	45.3	14,393.3	16,899.3
Changes in equity for the period							
Performance shares purchased by the Company	-	(2.0)	-	-	-	-	(2.0)
Performance shares vested	-	3.4	(3.6)	-	-	-	(0.2)
Equity-settled performance shares	-	-	10.1	-	-	-	10.1
Transfer of liability to equity	-	-	15.2	-	-	-	15.2
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	(0.2)
Contribution to Trust <sup>(4)</sup>	-	-	(19.4)	-	-	-	(19.4)
Final dividend paid	-	-	-	-	-	(1,594.3)	(1,594.3)
Interim dividend payable	-	-	-	-	-	(1,084.2)	(1,084.2)
	-	1.4	2.1	-	-	(2,678.5)	(2,675.0)
Total comprehensive income/ (loss) for the period	-	-	-	118.9	(9.4)	1,815.0	1,924.5
<b>Balance as at 31 December 2014</b>	<b>2,634.0</b>	<b>-</b>	<b>(65.3)</b>	<b>14.4</b>	<b>35.9</b>	<b>13,529.8</b>	<b>16,148.8</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32, **Financial Instruments: Disclosure and Presentation**.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.
- (4) This amount relates to a reserve for an obligation arising from a put option written with the non-controlling shareholder of Trustwave. When exercised under certain conditions, this will require Singtel to purchase the remaining 2% equity interest in Trustwave.
- (5) DBS Trustee Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the third quarter and nine months ended 31 December 2015

	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
<b>Cash Flows from Operating Activities</b>				
Profit before tax	1,097.7	1,076.3	3,474.2	3,327.2
<b>Adjustments for</b>				
Depreciation and amortisation	537.0	541.1	1,603.6	1,618.9
Exceptional items	12.0	(1.8)	(10.4)	(69.3)
Interest and investment income (net)	(30.2)	(11.2)	(88.6)	(66.1)
Finance costs	93.1	80.6	262.3	230.8
Share of results of associates and joint ventures (post-tax)	(491.5)	(456.4)	(1,498.5)	(1,265.3)
Other non-cash items	8.2	9.9	19.2	33.8
	<b>128.6</b>	<b>162.2</b>	<b>287.6</b>	<b>482.8</b>
<b>Operating cash flow before working capital changes</b>	<b>1,226.3</b>	<b>1,238.5</b>	<b>3,761.8</b>	<b>3,810.0</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	(161.6)	(183.1)	(700.7)	(501.1)
Trade and other payables	(167.8)	191.5	(337.4)	428.6
Inventories	14.8	(18.8)	(24.0)	(68.9)
Currency translation adjustments of subsidiaries	3.0	2.9	8.6	2.2
<b>Cash generated from operations</b>	<b>914.7</b>	<b>1,231.0</b>	<b>2,708.3</b>	<b>3,670.8</b>
Payment to employees in cash under performance share plans	-	-	(3.1)	(1.1)
Dividends received from associates and joint ventures	225.9	59.1	1,284.3	1,093.5
Income tax and withholding tax paid	(133.8)	(72.7)	(550.1)	(501.4)
<b>Net cash inflow from operating activities</b>	<b>1,006.8</b>	<b>1,217.4</b>	<b>3,439.4</b>	<b>4,261.8</b>
<b>Cash Flows from Investing Activities</b>				
Dividends received from AFS investments	0.1	0.3	1.7	3.2
Interest received	21.8	18.3	46.1	39.8
Payments for acquisition of subsidiaries, net of cash acquired ( <b>Note 1</b> )	(0.7)	-	(1,057.8)	(443.0)
Contribution from non-controlling interests	-	-	11.4	-
Payment for acquisition of non-controlling interests	-	-	-	(2.7)
Investment in joint ventures	(0.4)	(0.9)	(0.4)	(1.4)
Deferred proceeds/ proceeds from disposal of associate/joint venture	-	-	14.5	-
Investment in AFS investments	(1.5)	(3.8)	(25.7)	(23.0)
Proceeds from sale of AFS investments	24.1	11.2	75.9	60.6
Balance carried forward	<b>43.4</b>	<b>25.1</b>	<b>(934.3)</b>	<b>(366.5)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS***For the third quarter and nine months ended 31 December 2015*

	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
<b>Cash Flows from Investing Activities (continued)</b>				
Balance brought forward	43.4	25.1	(934.3)	(366.5)
Proceeds from capital reduction of joint venture	-	4.0	-	6.0
Payment for purchase of property, plant and equipment	(421.8)	(548.7)	(1,403.0)	(1,676.8)
Proceeds from sale of property, plant and equipment	0.5	6.0	5.4	9.9
Purchase of intangible assets	(30.4)	(64.4)	(151.2)	(926.6)
Withholding tax paid on intra-group interest income	-	-	(13.3)	(16.4)
<b>Net cash outflow for investing activities</b>	<b>(408.3)</b>	<b>(578.0)</b>	<b>(2,496.4)</b>	<b>(2,970.4)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from term loans	403.2	285.4	4,028.1	3,246.0
Repayment of term loans	(932.6)	(718.8)	(3,981.9)	(2,628.4)
Proceeds from bond issue	-	-	1,071.1	-
Proceeds from finance lease liabilities	1.3	5.7	55.1	16.7
Finance lease payments	(9.4)	(11.0)	(32.5)	(33.4)
Net (repayment)/ proceeds from borrowings	(537.5)	(438.7)	1,139.9	600.9
Net interest paid on borrowings and swaps	(102.7)	(85.1)	(255.7)	(243.0)
Purchase of performance shares	(3.7)	(6.1)	(38.0)	(41.4)
Final dividend paid to shareholders of the Company	-	-	(1,705.4)	(1,593.8)
Dividend paid to non-controlling interest	(4.9)	(5.6)	(4.9)	(5.6)
Others	-	1.1	1.1	1.1
<b>Net cash outflow for financing activities</b>	<b>(648.8)</b>	<b>(534.4)</b>	<b>(863.0)</b>	<b>(1,281.8)</b>
Net change in cash and cash equivalents	(50.3)	105.0	80.0	9.6
Exchange effects on cash and cash equivalents	3.4	0.5	43.1	(2.8)
Cash and cash equivalents at beginning of period	732.8	523.8	562.8	622.5
<b>Cash and cash equivalents at end of period</b>	<b>685.9</b>	<b>629.3</b>	<b>685.9</b>	<b>629.3</b>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS***For the third quarter and nine months ended 31 December 2015***Note (1): Payments for acquisition of subsidiaries**

- (a) On 1 September 2015, Singtel acquired 98% of the share capital of Trustwave Holdings, Inc. for S\$1.08 billion (US\$770 million). The fair values of identifiable net assets and the net cash outflow on the acquisition were as follows -

	31 Dec 2015 S\$ Mil (Unaudited)
Identifiable intangible assets, net of tax (provisional)	155.0
Non-current assets	38.5
Cash and cash equivalents	28.7
Current assets (excluding cash and cash equivalents)	87.7
Total liabilities	(265.1)
Non controlling interests	<u>2.2</u>
Net assets acquired	47.0
Goodwill (provisional)	<u>1,037.3</u>
Total cash consideration	1,084.3
Less: Cash and cash equivalents acquired	<u>(28.7)</u>
<b>Net outflow of cash</b>	<b><u>1,055.6</u></b>

- (b) During the current period, deferred payments of S\$2.2 million were made mainly in respect of the acquisition of Adconion Media, Inc. and Adconion Pty Limited (together, "Adconion").
- (c) The payments in the corresponding period last year included payments for the acquisition of Kontera Technologies, Inc. and Adconion of S\$176 million and S\$255 million respectively, and deferred payments of S\$12 million in respect of the acquisitions of Amobee, Inc. and Pixable, Inc.

**Note (2):** For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprised:

	As at 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
Fixed deposits	159.8	161.6
Cash and bank balances	<u>526.1</u>	<u>467.7</u>
	<b><u>685.9</u></b>	<b><u>629.3</u></b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2015

**1. BASIS OF PREPARATION**

The Group prepares its condensed consolidated interim financial statements in accordance with Singapore Financial Reporting Standard (“FRS”) 34, *Interim Financial Reporting*. The same accounting policies and methods of computation have been applied in the preparation of the financial statements for the current quarter as the most recent audited financial statements as at 31 March 2015. The adoption of the new or revised FRS, amendments to FRS and Interpretations to FRS which became mandatory from 1 April 2015 did not have a significant impact on the financial statements of the Group and the Company.

**2. OPERATING EXPENSES**

The income statement included the following items -

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015	2014	2015	2014
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Impairment of trade receivables	32.5	29.1	94.1	80.4
Allowance for inventory obsolescence	0.6	1.6	13.9	2.4

**3. OTHER INCOME**

Other income included the following items -

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015	2014	2015	2014
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Rental income	1.0	1.0	2.8	3.0
Bad trade debts recovered	1.2	2.9	5.0	6.7
Net exchange gain/ (loss) - trade related	2.5	(1.7)	11.1	(6.7)
Net (loss)/ gain on disposal of property, plant and equipment	(0.6)	1.3	(2.3)	1.9



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***4. DEPRECIATION AND AMORTISATION**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015	2014	2015	2014
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	467.0	495.8	1,416.5	1,476.0
Amortisation of intangibles	70.8	46.1	189.4	145.2
Amortisation of deferred gain on sale of a joint venture	(0.8)	(0.8)	(2.3)	(2.3)
	<b>537.0</b>	<b>541.1</b>	<b>1,603.6</b>	<b>1,618.9</b>

**5. EXCEPTIONAL ITEMS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015	2014	2015	2014
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
<b>Exceptional gains</b>				
Gain on dilution of interest in SingPost	-	-	-	65.4
Gain on dilution of interest in other associates and joint ventures	-	1.6	0.7	3.3
Gain on sale of AFS investments	18.9	16.6	49.4	25.6
Gain on disposal of a joint venture	-	-	1.7	-
	<b>18.9</b>	<b>18.2</b>	<b>51.8</b>	<b>94.3</b>
<b>Exceptional losses</b>				
Impairment of Pixable, Inc.	(29.9)	-	(29.9)	-
Staff restructuring costs	(2.0)	(0.1)	(8.3)	(40.6)
Loss on sale of AFS investments	-	(0.1)	-	(8.7)
Impairment of AFS investments	(1.0)	(16.3)	(11.5)	(16.3)
	<b>(32.9)</b>	<b>(16.5)</b>	<b>(49.7)</b>	<b>(65.6)</b>
	<b>(14.0)</b>	<b>1.7</b>	<b>2.1</b>	<b>28.7</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2015

**6. SHARE OF EXCEPTIONAL ITEMS OF ASSOCIATES AND JOINT VENTURES (POST-TAX)**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
Share of Airtel's exceptional items <sup>(1)</sup>	(19.4)	(19.8)	64.6	(47.4)
Share of Globe's one-off gains <sup>(2)</sup>	-	-	20.2	-
Share of Globe's accelerated depreciation	-	(1.5)	-	(10.5)
	<b>(19.4)</b>	<b>(21.3)</b>	<b>84.8</b>	<b>(57.9)</b>

**Notes:**

(1) The net exceptional loss in the current quarter comprised mainly of staff restructuring costs in Africa. The net exceptional gain for the nine month period comprised mainly of net gains on disposal of telecom tower assets in Africa partially offset by various provisions and charges including staff restructuring costs.

(2) The one-off gains arose from Globe's disposal/ deemed disposal of certain investments.

**7. WRITE-BACK OF IMPAIRMENT PROVISION ON AN ASSOCIATE**

In this quarter, the Group wrote back the impairment provision of S\$32 million on its associate, APT Satellite Holdings Limited, which was no longer required.

**8. INTEREST AND INVESTMENT INCOME (NET)**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
Interest income from				
- bank deposits	1.6	2.2	4.6	7.3
- others	11.0	7.2	33.3	26.9
	12.6	9.4	37.9	34.2
Dividends from joint ventures	9.2	8.8	30.4	36.0
Gross dividends from AFS investments	0.3	0.5	1.5	3.9
Fair value gains/ (losses) on fair value hedges				
- hedged item	59.2	17.1	177.9	23.0
- hedging instrument	(56.0)	(18.1)	(176.6)	(32.5)
	3.2	(1.0)	1.3	(9.5)
Fair value gains/ (losses) on cash flow hedges transferred from other comprehensive income				
- hedged item	127.6	(183.1)	(167.7)	(219.4)
- hedging instrument	(127.6)	183.1	167.7	219.4
	-	-	-	-
Other fair value gains/ (losses)	4.8	(6.0)	8.4	2.2
Net foreign exchange gains/ (losses)				
- non-trade related	0.1	(0.5)	9.1	(0.7)
	<b>30.2</b>	<b>11.2</b>	<b>88.6</b>	<b>66.1</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***9. FINANCE COSTS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil	2014 S\$ Mil	2015 S\$ Mil	2014 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest expense on				
- bonds	73.7	64.0	209.3	191.7
- bank loans	12.2	9.8	31.9	17.8
- others	7.6	6.5	21.9	21.2
	93.5	80.3	263.1	230.7
Less: Amounts capitalised	(0.1)	(0.6)	(0.8)	(6.1)
	93.4	79.7	262.3	224.6
Effects of hedging using interest rate swaps	(1.4)	(0.2)	(3.2)	2.7
Unwinding of discounts (including adjustments)	1.1	1.1	3.2	3.5
	93.1	80.6	262.3	230.8

**10. TAX EXPENSE**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015 S\$ Mil	2014 S\$ Mil	2015 S\$ Mil	2014 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current and deferred tax expense attributable to current period's profits	147.2	153.1	556.0	526.8
Current and deferred tax adjustments in respect of prior years	0.9	(0.4)	0.3	1.0
Deferred tax credit <sup>(1)</sup>	-	(47.6)	-	(47.6)
	148.1	105.1	556.3	480.2

**Note:**

(1) This relates to deferred tax credit recognised on certain property, plant and equipment transferred to an associate.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***11. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2015 '000 (Unaudited)	2014 '000 (Unaudited)	2015 '000 (Unaudited)	2014 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	<b>15,938,174</b>	15,937,594	<b>15,937,065</b>	15,937,093
Adjustment for dilutive effect of performance share plan	<b>15,509</b>	42,076	<b>15,509</b>	42,076
Weighted average number of ordinary shares for calculation of diluted earnings per share	<b>15,953,683</b>	15,979,670	<b>15,952,574</b>	15,979,169

The weighted average number of ordinary shares in issue had been adjusted to exclude the number of performance shares held by the Trust.

**12. FAIR VALUE MEASUREMENTS**

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels -

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- (b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and
- (c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***12. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the assets and liabilities measured at fair value as at 31 December 2015:

<b>Group 31 Dec 2015 (Unaudited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
AFS investments <sup>(1)</sup>				
- Quoted investments	45.5	-	-	<b>45.5</b>
- Unquoted investments	-	-	96.6	<b>96.6</b>
	45.5	-	96.6	<b>142.1</b>
Derivative financial instruments	-	837.9	-	<b>837.9</b>
	45.5	837.9	96.6	<b>980.0</b>
<b>Financial liabilities</b>				
Derivative financial instruments	-	246.8	-	<b>246.8</b>

<b>Group 31 Mar 2015 (Audited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
AFS investments <sup>(1)</sup>				
- Quoted investments	100.8	-	-	<b>100.8</b>
- Unquoted investments	-	-	100.5	<b>100.5</b>
	100.8	-	100.5	<b>201.3</b>
Derivative financial instruments	-	771.9	-	<b>771.9</b>
	100.8	771.9	100.5	<b>973.2</b>
<b>Financial liabilities</b>				
Derivative financial instruments	-	282.2	-	<b>282.2</b>

**Note:**

(1) Excluded AFS investments stated at cost of S\$58.8 million (31 March 2015: S\$67.0 million).

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***12. FAIR VALUE MEASUREMENTS (Continued)**

Company 31 Dec 2015 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
<b>Financial assets</b>				
AFS investments				
- Quoted investments	29.0	-	-	29.0
- Unquoted investments	-	-	8.4	8.4
	29.0	-	8.4	37.4
Derivative financial instruments	-	487.6	-	487.6
	29.0	487.6	8.4	525.0
<b>Financial liabilities</b>				
Derivative financial instruments	-	507.4	-	507.4

Company 31 Mar 2015 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
<b>Financial assets</b>				
AFS investments				
- Quoted investments	34.1	-	-	34.1
- Unquoted investments	-	-	9.5	9.5
	34.1	-	9.5	43.6
Derivative financial instruments	-	493.4	-	493.4
	34.1	493.4	9.5	537.0
<b>Financial liabilities</b>				
Derivative financial instruments	-	449.2	-	449.2

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***12. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 31 December 2015:

31 Dec 2015 (Unaudited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
<b>Financial liabilities</b>					
<b>Group</b>					
Bonds	<b>8,316.3</b>	6,176.6	2,523.5	-	<b>8,700.1</b>
<b>Company</b>					
Bonds	<b>780.9</b>	972.1	-	-	<b>972.1</b>

31 Mar 2015 (Audited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
<b>Financial liabilities</b>					
<b>Group</b>					
Bonds	7,240.7	5,478.3	2,101.8	-	7,580.1
<b>Company</b>					
Bonds	925.2	1,015.7	-	-	1,015.7

Except as disclosed in the above tables, the carrying values of financial assets and other financial liabilities approximate their fair values.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***12. FAIR VALUE MEASUREMENTS (Continued)**

The fair values of the unquoted AFS investments included within Level 3 were estimated using the net asset values as reported in the statements of financial position in the management accounts of the AFS investments or the use of recent arm's length transactions.

The following table presents the reconciliation for the unquoted AFS investments measured at fair value based on unobservable inputs (**Level 3**) -

	Group		Company	
	31 Dec 15 S\$ Mil (Unaudited)	31 Dec 14 S\$ Mil (Unaudited)	31 Dec 15 S\$ Mil (Unaudited)	31 Dec 14 S\$ Mil (Unaudited)
<b>AFS investments - unquoted</b>				
Balance as at 1 April	<b>100.5</b>	108.2	<b>9.5</b>	10.5
Total gains/ (losses) included in 'Fair Value Reserve'	<b>0.3</b>	1.2	<b>(1.1)</b>	(0.6)
Additions	<b>0.9</b>	-	-	-
Provision for impairment	<b>(6.2)</b>	-	-	-
Disposals	<b>(0.8)</b>	(15.3)	-	-
Transfer from Level 3	-	(5.8)	-	-
Transfer to Level 3	<b>1.9</b>	8.9	-	-
	<b>96.6</b>	97.2	<b>8.4</b>	9.9



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2015***13. GROUP'S BORROWINGS AND DEBT SECURITIES**

	Group		Company	
	31 Dec 15 S\$ Mil (Unaudited)	31 Mar 15 S\$ Mil (Audited)	31 Dec 15 S\$ Mil (Unaudited)	31 Mar 15 S\$ Mil (Audited)
<b>Unsecured borrowings</b>				
Repayable within one year	250.0	150.0	-	-
Repayable after one year	9,588.8	8,590.9	780.9	925.2
	<b>9,838.8</b>	<b>8,740.9</b>	<b>780.9</b>	<b>925.2</b>
<b>Secured borrowings</b>				
Repayable within one year	92.2	24.4	0.3	1.5
Repayable after one year	245.1	213.5	160.3	160.4
	<b>337.3</b>	<b>237.9</b>	<b>160.6</b>	<b>161.9</b>
	<b>10,176.1</b>	<b>8,978.8</b>	<b>941.5</b>	<b>1,087.1</b>

Unsecured borrowings of the Group comprise bonds and bank loans. The unsecured borrowings of the Company comprise bonds.

Secured borrowings of the Group and the Company comprise finance lease liabilities including lease liabilities in respect of certain assets leased from NetLink Trust.

In addition, the Group's secured borrowings as at 31 December 2015 included:

- certain bank loans of Adconion, secured on the assets and shares in Adconion Media, Inc. and its subsidiary, Adconion Direct, Inc., and a fixed and floating charge on the assets in Adconion Pty Ltd; and
- certain bank loans of Trustwave, secured on the assets of Trustwave and shares in certain of its subsidiaries.

**14. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

	Quarter and Nine months 31 Dec 15	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
<b>Group and Company</b>		
Balance as at beginning and end of period	<b>15,943.5</b>	<b>2,634.0</b>

As at 31 December 2015, the number of outstanding performance shares under Singtel's performance share plans was 37,265,407 (31 March 2015: 37,543,025).

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2015*

**15. DIVIDENDS**

On 11 November 2015, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2015: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the current financial year ending 31 March 2016.

The dividend has been accounted for in the shareholders' equity as an appropriation of 'Retained Earnings' in the third quarter and nine months ended 31 December 2015. The interim dividend was paid in January 2016.

In the nine months ended 31 December 2015, a final one-tier exempt ordinary dividend of 10.7 cents per share totalling S\$1.71 billion was paid in respect of the previous financial year ended 31 March 2015.

**16. NET ASSET VALUE**

	Group		Company	
	As at		As at	
	31 Dec 15	31 Mar 15	31 Dec 15	31 Mar 15
	S\$	S\$	S\$	S\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Net asset value per share</b>	<b>1.54</b>	<b>1.55</b>	<b>1.06</b>	<b>1.10</b>

As at the end of the reporting period, the number of ordinary shares of the Group used for the above calculation had been adjusted to exclude the number of performance shares held by the Trust.

**17. CONTINGENT LIABILITIES****(a) Guarantees**

- (i) As at 31 December 2015, the Group and Company provided bankers' and other guarantees, and insurance bonds of S\$392.3 million and S\$168.4 million (31 March 2015: S\$413.8 million and S\$225.4 million) respectively.
- (ii) As at 31 December 2015, the Company provided a guarantee for the loan of S\$1.12 billion (31 March 2015: S\$800 million) drawn down under a loan facility entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**") with maturity on May 2017.
- (iii) As at 31 December 2015, the Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$4.38 billion (31 March 2015: S\$3.70 billion) due between July 2016 and June 2025.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2015*

**17. CONTINGENT LIABILITIES (Continued)**

- (b) Consistent with other large groups, Singapore Telecom Australia Investments Pty Limited (“**STAI**”), the head tax entity in Australia, has been subject to information requests from the Australian Taxation Office (“**ATO**”). In December 2013, STAI received a tax position paper from the ATO in connection with the acquisition financing of Optus and subsequently, on 22 October 2014, STAI received a Statement of Audit Position. On 30 November 2015, STAI received the final Statement of Audit Position from the ATO. STAI may request for the final Statement of Audit Position to be subject to an Independent Review within the ATO. STAI has received advice from external experts in relation to the matter and intends to defend its position. Accordingly, no provision has been made as at 31 December 2015.
- (c) Optus (and certain subsidiaries) is in dispute with third parties regarding certain transactions entered into in the ordinary course of business. Some of these disputes involve legal proceedings relating to the contractual obligations of the parties and/ or representations made, including the amounts payable by Optus' companies under the contracts and claims against Optus' companies for compensation for alleged breach of contract and/ or representations. Optus is vigorously defending all these claims.

**18. CONTINGENT LIABILITIES OF JOINT VENTURES**

- (a) Bharti Airtel Limited (“**Airtel**”), a 32.5% joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, the local regulator, Department of Telecommunications (“**DOT**”) issued a demand on Airtel Group for Rs. 52.01 billion (Singtel's share: S\$360 million) towards levy of one time spectrum charge. The demand included a retrospective charge of Rs. 9.09 billion (Singtel's share: S\$63 million) for holding GSM spectrum beyond 6.2 Mhz for the period from 1 July 2008 to 31 December 2012 and also a prospective charge of Rs. 42.92 billion (Singtel's share: S\$297 million) for GSM spectrum held beyond 4.4 Mhz for the period from 1 January 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licenses issued in the past. Airtel believes, based on independent legal opinion and its evaluation, that it is not probable that any material part of the claim will be awarded against Airtel and therefore, pending outcome of this matter, no provision has been recognised.

As at 31 December 2015, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 99.8 billion (Singtel's share: S\$691 million). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

Airtel Group has 79.05% shareholding in Airtel Networks Limited (“**ANL**”), whose principal activity is the provision of mobile telecommunication services in Nigeria.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2015*

**18. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)**

Econet Wireless Limited (“**EWL**”) has claimed for entitlement to a 5% stake in ANL in 2004 and a claim alleging breach of a shareholders’ agreement between EWL and former shareholders of ANL in 2006. Airtel is appealing earlier court and arbitral decisions and is defending its positions vigorously. Under the terms of the acquisition by Airtel of these assets from Zain International B.V. in 2010, Airtel has the benefit of applicable seller’s indemnities in respect of such matters.

- (b) The Group holds an equity interest of 23.3% in Advanced Info Service Public Company Limited (“**AIS**”).

In 2008, TOT Public Company Limited (“**TOT**”) and CAT Telecom Public Company Limited (“**CAT**”) demanded that AIS and its subsidiary, Digital Phone Company Limited (“**DPC**”) respectively pay additional revenue shares of THB 31.5 billion (Singtel’s share: S\$288 million) and THB 3.4 billion (Singtel’s share: S\$31 million) arising from the abolishment of excise tax. These claims were dismissed by the lower tribunals and are now pending appeal by TOT and CAT before the Supreme Administrative Court and Central Administrative Court respectively.

In 2011 and in 2014, TOT demanded that AIS pays additional revenue share based on gross interconnection income from 2007 to 2012 amounting to THB 27.8 billion (Singtel’s share: S\$254 million) plus interest. The claims are pending arbitration.

In 2015, TOT demanded that AIS pays additional revenue share of THB 62.8 billion (Singtel’s share: S\$574 million) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. This case is pending arbitration.

As at 31 December 2015, there are a number of other claims filed by third parties against AIS and its subsidiaries amounting to THB 32.8 billion (Singtel’s share: S\$300 million) which are pending adjudication.

AIS believes that the above claims will be settled in favour of AIS and will have no material impact to its financial statements.

- (c) Globe Telecom, Inc. (“**Globe**”), a 47.2% joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe’s management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on Globe Group’s financial position and results of operations.
- (d) The Group holds an equity interest of 35% in PT Telekomunikasi Selular (“**Telkomsel**”). As at 31 December 2015, Telkomsel has filed appeals and cross-appeals amounting to approximately IDR 511 billion (Singtel’s share: S\$18 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2015*

**19. GROUP SEGMENT INFORMATION**

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

Singtel Group is structured into three business segments, namely Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, namely AIS in Thailand, Airtel in India, Africa and South Asia, Globe in the Philippines, and Telkomsel in Indonesia. It focuses on driving greater value and performance from the core carriage business including mobile, pay TV, fixed broadband and voice, as well as equipment sales. From 1 April 2015, certain businesses which were previously within Group Digital Life were transferred to Group Consumer.

Group Enterprise comprises the business groups across Singapore, Australia, U.S.A and the region, and focuses on growing the Group's position in the enterprise markets. Key services include mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT and professional consulting.

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 adjacent businesses where it has a competitive advantage. From 1 April 2015, GDL had sharpened its strategy to focus on three key businesses - digital marketing (Amobee), regional premium video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel's digital innovation engine through Innov8. Certain businesses which were previously within GDL were transferred to Group Consumer.

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

The measurement of segment results which is before exceptional items, is in line with the basis of information presented to management for internal management reporting purposes.

The costs of shared and common infrastructure are allocated to business segments using established methodologies.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the nine months ended 31 December 2015***19. GROUP SEGMENT INFORMATION (Continued)**

Group 31 Dec 2015 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	7,815.4	4,717.8	334.1	-	<b>12,867.3</b>
Operating expenses	(5,494.5)	(3,256.3)	(430.5)	(50.8)	<b>(9,232.1)</b>
Other income/ (expense)	99.4	22.5	(1.6)	(4.6)	<b>115.7</b>
<b>Earnings before interest, tax, depreciation and amortisation ("EBITDA")</b>	<b>2,420.3</b>	<b>1,484.0</b>	<b>(98.0)</b>	<b>(55.4)</b>	<b>3,750.9</b>
Share of pre-tax results of associates and joint ventures					
- Airtel	514.2	-	-	-	<b>514.2</b>
- Telkomsel	823.4	-	-	-	<b>823.4</b>
- Globe	247.5	-	-	-	<b>247.5</b>
- AIS	341.5	-	-	-	<b>341.5</b>
- Others	0.4	-	-	143.0	<b>143.4</b>
	<b>1,927.0</b>	<b>-</b>	<b>-</b>	<b>143.0</b>	<b>2,070.0</b>
<b>EBITDA and share of pre-tax results of associates and joint ventures</b>	<b>4,347.3</b>	<b>1,484.0</b>	<b>(98.0)</b>	<b>87.6</b>	<b>5,820.9</b>
Depreciation and amortisation	(1,090.7)	(459.5)	(50.7)	(2.7)	<b>(1,603.6)</b>
<b>Earnings before interest and tax ("EBIT")</b>	<b>3,256.6</b>	<b>1,024.5</b>	<b>(148.7)</b>	<b>84.9</b>	<b>4,217.3</b>
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	5,345.4	-	-	-	<b>5,345.4</b>
- Telkomsel	3,253.7	-	-	-	<b>3,253.7</b>
- Globe	1,082.5	-	-	-	<b>1,082.5</b>
- AIS	727.6	-	-	-	<b>727.6</b>
- Others	24.5	-	-	410.0	<b>434.5</b>
	<b>10,433.7</b>	<b>-</b>	<b>-</b>	<b>410.0</b>	<b>10,843.7</b>
Goodwill on acquisition of subsidiaries	9,191.2	1,214.5	737.5	-	<b>11,143.2</b>
Other assets	11,326.2	5,132.7	680.9	4,750.0	<b>21,889.8</b>
	<b>30,951.1</b>	<b>6,347.2</b>	<b>1,418.4</b>	<b>5,160.0</b>	<b>43,876.7</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the nine months ended 31 December 2015***19. GROUP SEGMENT INFORMATION (Continued)**

<b>Group 31 Dec 2014 (Unaudited)</b>	<b>Group Consumer S\$ Mil</b>	<b>Group Enterprise S\$ Mil</b>	<b>Group Digital Life S\$ Mil</b>	<b>Group Corporate S\$ Mil</b>	<b>Group Total S\$ Mil</b>
<b>Operating revenue</b>	7,937.2	4,714.1	232.7	-	<b>12,884.0</b>
Operating expenses	(5,558.8)	(3,175.9)	(376.4)	(53.4)	<b>(9,164.5)</b>
Other income/ (expense)	75.6	21.4	(0.6)	0.9	<b>97.3</b>
<b>EBITDA</b>	<b>2,454.0</b>	<b>1,559.6</b>	<b>(144.3)</b>	<b>(52.5)</b>	<b>3,816.8</b>
Share of pre-tax results of associates and joint ventures					
- Airtel	569.1	-	-	-	<b>569.1</b>
- Telkomsel	742.6	-	-	-	<b>742.6</b>
- Globe	218.5	-	-	-	<b>218.5</b>
- AIS	311.7	-	-	-	<b>311.7</b>
- Others	0.3	-	-	91.0	<b>91.3</b>
	1,842.2	-	-	91.0	<b>1,933.2</b>
<b>EBITDA and share of pre-tax results of associates and joint ventures</b>	<b>4,296.2</b>	<b>1,559.6</b>	<b>(144.3)</b>	<b>38.5</b>	<b>5,750.0</b>
Depreciation and amortisation	(1,103.7)	(454.0)	(60.1)	(1.1)	<b>(1,618.9)</b>
<b>EBIT</b>	<b>3,192.5</b>	<b>1,105.6</b>	<b>(204.4)</b>	<b>37.4</b>	<b>4,131.1</b>

<b>Group 31 Mar 2015 (Audited)</b>	<b>Group Consumer S\$ Mil</b>	<b>Group Enterprise S\$ Mil</b>	<b>Group Digital Life S\$ Mil</b>	<b>Group Corporate S\$ Mil</b>	<b>Group Total S\$ Mil</b>
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	5,323.3	-	-	-	<b>5,323.3</b>
- Telkomsel	3,410.1	-	-	-	<b>3,410.1</b>
- Globe	1,049.8	-	-	-	<b>1,049.8</b>
- AIS	686.3	-	-	-	<b>686.3</b>
- Others	24.1	-	-	352.6	<b>376.7</b>
	10,493.6	-	-	352.6	<b>10,846.2</b>
Goodwill on acquisition of subsidiaries	9,191.9	175.1	756.0	-	<b>10,123.0</b>
Other assets	10,869.2	4,897.9	781.8	4,548.7	<b>21,097.6</b>
	<b>30,554.7</b>	<b>5,073.0</b>	<b>1,537.8</b>	<b>4,901.3</b>	<b>42,066.8</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the nine months ended 31 December 2015***19. GROUP SEGMENT INFORMATION (Continued)**

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax is as follows -

Group	31 Dec 15 S\$ Mil (Unaudited)	31 Dec 14 S\$ Mil (Unaudited)
<b>EBIT</b>	<b>4,217.3</b>	<b>4,131.1</b>
Exceptional items	2.1	28.7
Share of exceptional items of associates and joint ventures (post-tax)	62.6	(30.7)
Share of tax of associates and joint ventures	(665.8)	(637.2)
Write back of impairment provision of an associate	31.7	-
<b>Profit before interest, investment income (net) and tax</b>	<b>3,647.9</b>	<b>3,491.9</b>
Interest and investment income (net)	88.6	66.1
Finance costs	(262.3)	(230.8)
<b>Profit before tax</b>	<b>3,474.2</b>	<b>3,327.2</b>

**OTHER INFORMATION**

**20.** The financial position as at 31 December 2015 and the results, statements of changes in equity and cash flows for the third quarter and nine months ended 31 December 2015 presented in this announcement have not been audited, but have been reviewed by Deloitte & Touche LLP in Singapore in accordance with the Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (see review report on page 33 of this announcement).

**21. REVIEW OF PERFORMANCE OF THE GROUP**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2015.

**22. WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS.**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2015.

**23. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT OPERATING PERIOD AND THE NEXT 12 MONTHS.**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2015.

**24. INTERESTED PERSON TRANSACTIONS**

The Group has not obtained a general mandate from the shareholders of the Company for Interested Person Transactions.



**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter and nine months ended 31 December 2015 to be false or misleading.

On behalf of the Board of Directors

**Bobby Chin Yoke Choong**  
Chairman of Audit Committee

**Chua Sock Koong**  
Director

Singapore  
11 February 2016

**INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors  
Singapore Telecommunications Limited  
31 Exeter Road  
Comcentre  
Singapore 239732

Dear Sirs

**SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES  
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION AS OF AND FOR THE THIRD  
QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2015****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("Singtel" or the "Company") as of 31 December 2015 and statement of changes in equity of the Company for the Third Quarter and Nine Months then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "Group") as of 31 December 2015 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the Third Quarter and Nine Months then ended, selected notes and other explanatory information ("interim financial information").

The Management of Singtel are responsible for the preparation and presentation of the interim financial information in accordance with Financial Reporting Standard 34 *Interim Financial Reporting* ("FRS 34"). Such interim financial information has been prepared by Management of Singtel for announcement on the Singapore Exchange. Our responsibility is to express a conclusion to this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with FRS 34.

Deloitte & Touche LLP  
Public Accountants and  
Chartered Accountants

Singapore  
11 February 2016