



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 2015

The financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards, which are the same, in material respects, to International Financial Reporting Standards. The financial statements for the period ended, and as at, 30 September 2015 are unaudited.

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

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

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

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SECTION 1 : GROUP

FINANCIAL HIGHLIGHTS**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**

- In constant currency terms¹, operating revenue grew 5.1% and EBITDA rose 4.5%.
- With 13% decline in the Australian Dollar, operating revenue declined 2.9% and EBITDA decreased 3.3%.
- Post-tax contributions from the associates increased 8.4% with higher profits from Telkomsel and Globe, partly offset by Airtel's higher fair value losses.
- Underlying net profit was stable and grew 3.8% in constant currency terms¹.
- Net profit, including exceptional gains, was stable and grew 3.0% in constant currency terms¹.
- Free cash flow decreased S\$255 million or 35% to S\$477 million due mainly to higher investments in mobile acquisitions and retentions in Australia. In addition, the corresponding quarter last year included approximately S\$70 million of receipts from OpenNet for fibre rollout completion.

FINANCIAL HIGHLIGHTS**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015**

- In constant currency terms¹, operating revenue and EBITDA grew 6.7% and 4.9% respectively.
- Operating revenue was stable and EBITDA declined 2.2%.
- Underlying net profit was stable and would have grown 4.2% in constant currency terms¹.
- Net profit was up 5.3% on higher exceptional gains.
- Free cash flow decreased by S\$465 million or 24% to S\$1.45 billion mainly on lower operating cash flows from higher mobile acquisitions and retentions in Australia, as well as approximately S\$200 million received from OpenNet in the corresponding period for fibre rollout completion.

¹ Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 30 September 2014.

SECTION 1 : GROUP

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Operating revenue	4,184	4,309	-2.9	8,393	8,457	-0.8
EBITDA	1,290	1,334	-3.3	2,531	2,588	-2.2
EBITDA margin	30.8%	30.9%		30.2%	30.6%	
Share of associates' pre-tax profits	706	644	9.7	1,372	1,266	8.3
EBITDA and share of associates' pre-tax profits	1,996	1,978	0.9	3,903	3,854	1.3
EBIT	1,465	1,433	2.2	2,836	2,776	2.1
(exclude share of associates' pre-tax profits)	758	789	-3.9	1,464	1,510	-3.1
Underlying net profit	974	979	-0.5	1,870	1,860	0.5
Exceptional items (post-tax)	55	59	-6.9	102	13	@
Net profit	1,030	1,038	-0.8	1,971	1,873	5.3
Free cash flow	477	732	-34.9	1,451	1,916	-24.3
Underlying earnings per share (S cents)	6.11	6.14	-0.5	11.73	11.67	0.5
Basic earnings per share (S cents)	6.46	6.51	-0.8	12.37	11.75	5.3

	As at		
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	30 Sep 2014 S\$ m
Total assets	43,366	42,110	40,219
Shareholders' funds	24,542	25,319	23,901
Net debt ⁽¹⁾	9,331	6,995	8,514
Net debt gearing ratio ⁽²⁾	27.5%	21.6%	26.2%
Net debt to EBITDA and share of associates' pre-tax profits ⁽³⁾	1.20X	0.92X	1.10X
Interest cover:			
- EBITDA and share of associates' pre-tax profits/ net interest expense ⁽⁴⁾	27.1X	28.3X	30.7X

Notes:

- (1) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.
- (2) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
- (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.

SECTION 1 : GROUP**GROUP SUMMARY INCOME STATEMENTS****For The Second Quarter And Half Year Ended 30 September 2015**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Operating revenue	4,184	4,309	-2.9	8,393	8,457	-0.8
Operating expenses	(2,934)	(3,011)	-2.6	(5,942)	(5,933)	0.2
	1,250	1,298	-3.7	2,451	2,524	-2.9
Other income	39	36	10.4	80	64	24.8
EBITDA	1,290	1,334	-3.3	2,531	2,588	-2.2
- EBITDA margin	30.8%	30.9%		30.2%	30.6%	
Share of associates' pre-tax profits	706	644	9.7	1,372	1,266	8.3
EBITDA and share of associates' pre-tax profits	1,996	1,978	0.9	3,903	3,854	1.3
Depreciation	(472)	(491)	-3.7	(950)	(980)	-3.1
Amortisation of intangibles	(59)	(54)	8.7	(117)	(98)	20.0
	(531)	(545)	-2.5	(1,067)	(1,078)	-1.0
EBIT	1,465	1,433	2.2	2,836	2,776	2.1
Net finance expense						
- net interest expense	(77)	(63)	22.0	(144)	(125)	14.8
- other finance income	23	19	22.6	33	30	10.0
	(53)	(44)	21.7	(111)	(95)	16.3
Profit before exceptional items and tax	1,412	1,389	1.6	2,725	2,681	1.6
Taxation	(440)	(409)	7.6	(859)	(818)	4.9
Profit after tax	972	980	-0.9	1,867	1,863	0.2
Minority interests	3	(2)	nm	3	(3)	nm
Underlying net profit	974	979	-0.5	1,870	1,860	0.5
Exceptional items (post-tax)	55	59	-6.9	102	13	@
Net profit	1,030	1,038	-0.8	1,971	1,873	5.3
Depreciation as % of operating revenue	11%	11%		11%	12%	

Note:

Trustwave Holdings, Inc. ("Trustwave"), acquired on 1 September 2015, is consolidated with effect from 30 September 2015 as its results, financial position and cash flows for the one month are not material to the Group.

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

SECTION 1 : GROUP

BUSINESS SEGMENTS

The Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life, to better serve the evolving needs of its customers and to capture growth opportunities globally.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, mainly, 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.

Group Enterprise comprises the business groups across Singapore and Australia and focuses on growing the Group's position in the enterprise markets. Key services include mobile, 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 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 in digital life – 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.

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

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

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Operating revenue						
Group Consumer	2,535	2,640	-4.0	5,138	5,194	-1.1
Group Enterprise	1,538	1,598	-3.8	3,041	3,153	-3.5
Core Business	4,073	4,238	-3.9	8,179	8,347	-2.0
Group Digital Life	111	76	47.2	214	110	93.7
Corporate	-	(5)	nm	-	-	-
Group	4,184	4,309	-2.9	8,393	8,457	-0.8
EBITDA						
Group Consumer	831	847	-1.8	1,635	1,651	-0.9
Group Enterprise	512	547	-6.4	995	1,051	-5.3
Core Business	1,343	1,393	-3.6	2,630	2,701	-2.6
Group Digital Life	(34)	(40)	-15.2	(65)	(77)	-15.8
Corporate	(19)	(19)	-0.5	(34)	(36)	-5.3
Group	1,290	1,334	-3.3	2,531	2,588	-2.2
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	468	476	-1.7	902	909	-0.8
Group Enterprise	362	395	-8.3	696	747	-6.7
Core Business	830	871	-4.7	1,598	1,656	-3.5
Group Digital Life	(51)	(63)	-18.9	(98)	(109)	-10.3
Corporate	(20)	(19)	7.4	(36)	(36)	-1.1
Group	758	789	-3.9	1,464	1,510	-3.1

SECTION 1 : GROUP

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Group Enterprise (excluding fibre rollout and maintenance)						
Operating revenue	1,538	1,560	-1.4	3,041	3,072	-1.0
EBITDA	512	504	1.5	995	995	-0.1
EBIT	362	352	2.8	696	692	0.7

Note:

From 1 April 2015, certain businesses which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

DIVIDENDS

On 11 November 2015, the Directors approved an interim dividend of 6.8 cents (H1 FY2015: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the current financial year ending 31 March 2016. This represents a 58% payout of the current half year's earnings.

The financial statements for the half year ended, and as at, 30 September 2015 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 2015.

In August 2015, Singtel paid a final dividend of 10.7 cents per share totalling S\$1.71 billion in respect of the previous financial year ended 31 March 2015.

REVIEW OF GROUP OPERATING PERFORMANCE**For The Second Quarter Ended 30 September 2015**

The Group delivered strong operating performance across the businesses but the reported results were impacted by the significant decline of 13% in the Australian Dollar.

The weaker Australian Dollar adversely impacted the translated results of Optus, which contributed 56% and 55% to the Group's operating revenue and EBITDA respectively.

In constant currency terms, operating revenue, EBITDA and underlying net profit grew strongly by 5.1%, 4.5% and 3.8% respectively.

Group Consumer contributed 61% (Q2 FY2015: 61%) and 64% (Q2 FY2015: 63%) to the Group's operating revenue and EBITDA respectively. Operating revenue and EBITDA declined 4.0% and 1.8% respectively, and in constant currency terms would have increased strongly by 6.8 and 9.1%. Singapore Consumer revenue was stable with growth in Mobile Communications and Consumer Home Services offset by lower International Telephone revenue. EBITDA was up 9.5%, and would have increased 7.0% excluding the losses for the 2014 FIFA World Cup in September quarter last year on better cost management and foreign exchange gains. Australia Consumer delivered strong growth in revenue of 8.9% and increase in EBITDA of 8.7%. The improvements were driven mainly by robust mobile performance from increased mobile service ARPU and a higher postpaid handset customer base.

SECTION 1 : GROUP

Group Enterprise contributed 37% (Q2 FY2015: 37%) and 40% (Q2 FY2015: 41%) to the Group's operating revenue and EBITDA respectively. In constant currency terms and adjusted for fibre rollout business (transferred to NetLink Trust from October 2014), operating revenue would have increased 2.3% with strong growth in ICT revenues across Singapore and Australia, while EBITDA would have increased 3.8%.

GDL contributed 3% (Q2 FY 2015: 2%) to the Group's operating revenue. Operating revenue grew 47% to S\$111 million with full quarter's contribution from Adconion which was acquired in August 2014 and increased social and video advertising services. Negative EBITDA fell 15%, reflecting business rationalisation and improved gross margins.

Depreciation and amortisation charges declined 2.5% but would have increased 6.6% in constant currency terms. The higher depreciation was due to increased investments in mobile networks including LTE deployment in Singapore and Australia, while amortisation charges increased due to acquired spectrums.

The Group and its regional mobile associates continued to record strong customer growth. The combined mobile customer base reached 577 million as at 30 September 2015, up 2.1% from a quarter ago.

The Group's share of associates' post-tax profits increased 8.4% to S\$471 million with higher profits from Telkomsel and Globe partially offset by higher fair value losses mainly at Airtel.

Net finance expense increased S\$10 million to S\$53 million mainly due to higher interest expense on higher average borrowings and lower dividend income from the Southern Cross consortium (see Page 13) partly offset by foreign exchange gains with a stronger US Dollar.

The increase in the Group's tax expense was mainly due to higher withholding taxes on increased associates' dividend receipts as well as higher taxes at Airtel India on account of expiry and reduction of tax holiday benefits for some circles.

The net exceptional gain of S\$55 million in the quarter comprised mainly the Group's share of Airtel's net exceptional gain of S\$53 million and gains on sale of venture investments of S\$7 million, partially offset by an impairment charge of S\$5 million on certain venture investments. In the corresponding quarter last year, the net exceptional gain comprised mainly a gain of S\$65 million from the dilution of 2.2% of the Group's equity interest in SingPost.

With the net exceptional gain, net profit was stable at S\$1.03 billion and in constant currency terms would have been up by 3.0%.

Free cash flow in the quarter was S\$477 million, down 35% from the same quarter last year mainly on lower operating cash upon cessation of receipts from fibre rollout in Singapore and higher investments in mobile acquisitions and retentions in Australia (see page 19).

The Group continued to maintain a healthy capital structure. As at 30 September 2015, net debt gearing ratio was at 28%, up from 22% a quarter ago, following a net increase in borrowings of S\$1.68 billion in the quarter.

SECTION 1 : GROUP

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. Hence, the Group is exposed to currency movements. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for 76% (Q2 FY2015: 76%) of the Group's proportionate revenue and 73% (Q2 FY2015: 73%) of proportionate EBITDA.

For The Half Year Ended 30 September 2015

For the first half year, operating revenue was stable while EBITDA declined 2.2% on the back of 12% decline in the Australian Dollar. In constant currency terms, operating revenue and EBITDA would have increased by 6.7% and 4.9% respectively.

With increase in associates' contributions of 8.5%, underlying net profit was stable at S\$1.87 billion. In constant currency terms, underlying net profit would have been up by 4.2%.

The Group's net exceptional gain of S\$102 million for the half year mainly comprised Airtel's net exceptional gains of S\$84 million and gains on sale of venture investments of S\$31 million, partially offset by impairment charges of S\$11 million on certain venture investments. In the corresponding half year, the net exceptional gain of S\$13 million included S\$65 million of gain on dilution of the Group's equity interest in SingPost and S\$29 million of staff restructuring costs.

Including exceptional items, net profit was up 5.3% to S\$1.97 billion, and in constant currency terms would have increased 8.7%.

SECTION 1 : GROUP**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	
Operating revenue	4,184	4,209	-0.6
EBITDA	1,290	1,241	3.9
EBITDA margin	30.8%	29.5%	
Share of associates' pre-tax profits	706	665	6.2
EBIT	1,465	1,371	6.8
Profit before exceptional items and tax	1,412	1,314	7.5
Underlying net profit	974	895	8.9
Exceptional items (post-tax)	55	47	18.9
Net profit	1,030	942	9.4
Free cash flow	477	974	-51.0

Despite the 3% decline in the Australian Dollar, underlying net profit grew 8.9% mainly on the back of higher associates' contributions and lower withholding taxes from associates' dividends this quarter.

The lower free cash flow was mainly due to higher cash taxes and lower dividends received from associates this quarter due to timing.

OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2016

For the half year ended 30 September 2015, Mobile Communications revenue in Singapore increased by 2%. This was due to lower contributions from mobile roaming as customers shifted from voice roaming to data roaming services. Reflecting active management of roaming expenses, there had been no material adverse impact to margins for the same period.

Consistent with the first half performance, Mobile Communications revenue is expected to grow by low single digit level for the current financial year ending 31 March 2016. It was previously expected to grow by mid single digit level.

SECTION 1 : GROUP

Optus' mobile service revenue guidance of low single digit growth does not include the impact of the wholesale price changes for mobile terminating access services ("MTAS"). On 24 August 2015, the ACCC released its final decision to reduce wholesale prices for MTAS with effect from 1 January 2016. This is not expected to have a material impact on Optus' EBITDA for the current financial year. In the quarter and financial year ending 31 March 2016, Optus' incoming mobile service revenue is expected to be lower by approximately A\$200 million due to the lower MTAS rates.

The Group's guidance does not include the effects of the acquisition of Trustwave, which was completed on 1 September 2015. Trustwave's results, financial position and cash flows are not yet material to the Group.

Other than the above, the Group affirms the guidance previously issued in May 2015.

Please refer to **Appendix 7** for further details on the outlook for the current financial year.

OPERATING REVENUE

By Products and Services	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Mobile communications	1,722	1,835	-6.2	3,473	3,638	-4.5
Data and Internet ⁽¹⁾	773	801	-3.5	1,549	1,597	-3.0
Managed services	454	445	1.9	879	870	1.0
Business solutions	158	157	0.6	295	287	2.7
Infocomm Technology (ICT)	612	603	1.6	1,174	1,157	1.4
Sale of equipment	420	333	25.9	868	614	41.4
National telephone ⁽¹⁾	287	330	-13.1	578	662	-12.8
International telephone	137	166	-17.5	286	332	-13.7
Digital businesses ⁽²⁾	117	80	45.5	225	119	88.5
Pay television	71	80	-10.6	145	160	-9.6
Others	46	44	6.0	96	97	-0.9
	4,184	4,271	-2.0	8,393	8,376	0.2
Fibre rollout and maintenance ⁽³⁾	-	38	nm	-	81	nm
Total	4,184	4,309	-2.9	8,393	8,457	-0.8
Operating revenue	4,184	4,309	-2.9	8,393	8,457	-0.8
Associates' proportionate revenue ⁽⁴⁾	3,304	2,990	10.5	6,487	5,969	8.7
Group's proportionate revenue	7,489	7,300	2.6	14,880	14,426	3.1

Notes:

- (1) Comparatives have been restated to be consistent with the current quarter.
- (2) Comprise revenues mainly from Amobee, HOOQ, AMPed, Dash, inSing.com, and Hungry-Go-Where.
- (3) Fibre rollout and maintenance revenue ceased to be recognised with effect from 1 October 2014 as Singtel relinquished its role as OpenNet's key subcontractor.
- (4) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by Singtel's effective ownership interest.

SECTION 1 : GROUP

Operating Revenue Mix	Quarter		Half Year	
	30 Sep		30 Sep	
	2015 %	2014 %	2015 %	2014 %
Mobile communications	41.1	42.6	41.4	43.0
Data and Internet	18.5	18.6	18.5	18.9
Infocomm Technology (ICT)	14.6	14.0	14.0	13.7
Sale of equipment	10.0	7.7	10.3	7.3
National telephone	6.9	7.7	6.9	7.8
International telephone	3.3	3.8	3.4	3.9
Digital businesses	2.8	1.8	2.7	1.4
Others	2.8	2.9	2.9	3.0
	100.0	99.1	100.0	99.0
Fibre rollout and maintenance	-	0.9	-	1.0
Total	100.0	100.0	100.0	100.0

Operating revenue of the Group declined 2.9% and would have increased 5.1% in constant currency terms on higher Equipment sales, Mobile Communications and ICT revenues.

The increase in Equipment sales was due to higher handset sales driven by continued demand for smartphones. It contributed 10% of total Group's revenue this quarter, up from 8% in the last corresponding quarter.

Mobile Communications revenue declined 6.2% but would have increased 3.4% in constant currency terms with growth across Singapore and Australia driven mainly by data.

ICT revenue grew 1.6% but would have increased 5.1% in constant currency terms, attributable to growth in Managed Services.

Including the proportionate share of operating revenue from the associates, the Group's enlarged revenue grew 2.6% to S\$7.49 billion, underpinned by strong revenue growth at Telkomsel, Airtel and Globe.

SECTION 1 : GROUP**OPERATING EXPENSES (Before Depreciation and Amortisation)**

	Quarter		YOY %	Half Year		YOY %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Selling & administrative	838	934	-10.3	1,691	1,876	-9.9
Cost of sales	832	708	17.5	1,688	1,366	23.6
Traffic expenses	591	648	-8.7	1,195	1,286	-7.0
Staff costs	584	624	-6.3	1,191	1,230	-3.2
Repair & maintenance	86	90	-4.4	169	168	0.8
Others	4	9	-55.1	7	7	**
Total	2,934	3,011	-2.6	5,942	5,933	0.2

As a percentage of operating revenue	Quarter		Half Year	
	30 Sep		30 Sep	
	2015 %	2014 %	2015 %	2014 %
Selling & administrative	20.0%	21.7%	20.1%	22.2%
Cost of sales	19.9%	16.4%	20.1%	16.1%
Traffic expenses	14.1%	15.0%	14.2%	15.2%
Staff costs	14.0%	14.5%	14.2%	14.5%
Others	2.1%	2.3%	2.1%	2.1%
Total	70.1%	69.9%	70.7%	70.1%

Total operating expenses decreased 2.6% from the same quarter last year, and in constant currency terms would have increased 5.5%.

Selling and administrative expenses, the largest expense category at 20% of operating revenue, declined 10% mainly due to lower customer acquisition and retention costs as a result of higher take-up of device repayment plans in Australia.

Cost of sales grew 18%, in line with higher handset sales and digital revenues. It accounted for 20% of operating revenue, up from 16% in the same quarter last year.

SECTION 1 : GROUP**STAFF COSTS**

	Quarter		YOY %	Half Year		YOY %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Staff costs						
Optus	263	310	-15.0	554	626	-11.6
Singtel and other subsidiaries	287	290	-1.2	568	569	-0.1
	550	600	-8.3	1,122	1,195	-6.1
Amobee ⁽¹⁾	34	24	44.1	70	35	98.6
Group	584	624	-6.3	1,191	1,230	-3.2

	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep		
				2015	2014	
Average number of staff						
Optus	9,265	9,251	9,091	9,258	9,067	2.1
Singtel and other subsidiaries	14,385	13,967	13,510	14,169	13,223	7.2
Amobee ⁽¹⁾	23,650 554	23,218 520	22,601 433	23,427 544	22,290 329	5.1 65.3
Group ⁽²⁾	24,204	23,738	23,034	23,971	22,619	6.0
As at end of period						
Optus	9,247	9,239	9,125	9,247	9,125	1.3
Singtel and other subsidiaries ⁽³⁾	15,677	14,087	13,582	15,677	13,582	15.4
Amobee	24,924 558	23,326 523	22,707 536	24,924 558	22,707 536	9.8 4.1
Group ⁽²⁾	25,482	23,849	23,243	25,482	23,243	9.6

Notes:

(1) Including Kontera and Adconion which were acquired in July and August 2014 respectively.

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

(3) Included Trustwave's headcount of 1,282 as at 30 September 2015.

As of 30 September 2015, Group headcount increased 2,239 or 9.6% from a year ago to 25,482. The net increase was mainly due to staff additions from acquisition of Trustwave, increased IT hirings to support ICT projects and conversions of some contract staff to permanent staff in Singapore.

Staff costs declined 6.3% and would have been stable in constant currency terms. The increase from higher average headcount and annual salary increments were mitigated by lower accrual for performance share expense on decline in fair value of grants (cash-settled awards) and write-back of certain incentive accruals this quarter.

SECTION 1 : GROUP**NET FINANCE EXPENSE**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Net interest expense:						
- Interest income	2	4	-46.5	5	9	-44.9
- Interest expense	(86)	(72)	19.4	(164)	(145)	13.1
	(84)	(68)	23.6	(159)	(136)	17.0
- Net interest income from NetLink Trust ⁽¹⁾	7	5	42.3	15	10	44.1
	(77)	(63)	22.0	(144)	(125)	14.8
Other finance income						
- Dividend income from Southern Cross/ PCHL	10	17	-41.3	21	27	-22.1
- Investment income ⁽²⁾	1	2	-47.1	1	3	-64.7
- Net foreign exchange gains (non-trade)	14	1	@	9	*	nm
- Fair value adjustments ⁽³⁾	(1)	(1)	100.0	2	*	nm
	23	19	22.6	33	30	10.0
Net finance expense	(53)	(44)	21.7	(111)	(95)	16.3

Notes:

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

Interest income declined on lower average cash balance while interest expense increased from higher average borrowings.

Net foreign exchange gains arose mainly from revaluation of net monetary assets on a stronger US Dollar compared to a year ago.

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

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Exceptional gains/ (losses)						
Share of Airtel's one off gains/ (losses)	53	-	nm	84	(17)	nm
Dilution gain on SingPost	-	65	nm	-	65	nm
Net gain/ (loss) on sale/ liquidation of venture investments	7	(4)	nm	31	*	nm
Impairment of venture investments	(5)	-	nm	(11)	-	nm
Staff restructuring costs	(2)	*	nm	(5)	(29)	-83.9
Share of Globe's accelerated depreciation	-	(3)	nm	-	(9)	nm
Others	2	1	200.0	2	2	41.2
Group net exceptional gains (post-tax)	55	59	-6.9	102	13	@

Note:

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

In this quarter, the Group recorded its share of Airtel's net exceptional gain of S\$53 million arising mainly from the divestment of telecom tower assets in Africa. The exceptional items also comprised gains on sale of venture investments of S\$7 million (Q2 FY 2015: net loss of S\$4 million) and an impairment charge of S\$5 million on certain venture investments.

SECTION 1 : GROUP**TAX EXPENSE**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Income tax expense						
Optus	100	114	-11.6	190	207	-8.4
Singtel and other subsidiaries	51	48	5.6	105	98	7.3
Tax expense of Singtel and subsidiaries (a)	151	162	-6.5	295	305	-3.4
Share of associates' tax expense (b)	236	210	12.2	449	416	8.0
Withholding and dividend distribution taxes on associates' dividend income ⁽¹⁾	53	37	42.5	115	98	17.9
Total	440	409	7.6	859	818	4.9
Profit before exceptional items and tax	1,412	1,389	1.6	2,725	2,681	1.6
Exclude:						
Share of associates' pre-tax profits	(706)	(644)	9.7	(1,372)	(1,266)	8.3
Adjusted pre-tax profit (c)	705	745	-5.4	1,353	1,415	-4.4
Effective tax rate of Singtel and subsidiaries (a)/(c)	21.5%	21.7%		21.8%	21.6%	
Share of associates' pre-tax profits (d)	706	644	9.7	1,372	1,266	8.3
Effective tax rate of associates (b)/(d)	33.4%	32.6%		32.7%	32.8%	

Note:

- (1) Withholding and 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 in **Section 5**.

The increase in the Group's tax expense was mainly due to higher withholding taxes on increase in dividends received from associates, as well as higher tax expense at Airtel India on account of expiry and reduction of tax holiday benefits for some circles.

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

	As at		
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	30 Sep 2014 S\$ m
Current assets (excluding cash)	4,658	4,254	3,868
Cash and bank balances	733	1,390	524
Non-current assets	37,975	36,467	35,828
Total assets	43,366	42,110	40,219
Current liabilities	5,366	5,402	4,773
Non-current liabilities	13,439	11,354	11,518
Total liabilities	18,805	16,756	16,292
Net assets	24,561	25,354	23,928
Share capital	2,634	2,634	2,634
Retained earnings	27,738	28,413	26,645
Currency translation reserves	(4,791)	(4,664)	(4,161)
Other reserves	(1,039)	(1,064)	(1,217)
Equity attributable to shareholders	24,542	25,319	23,901
Minority interest and other reserve	20	35	27
	24,561	25,354	23,928

The Group is in a strong financial position as at 30 September 2015. Singtel is rated Aa3 by Moody's and A+ by Standard & Poor's.

As at 30 September 2015, the shareholders' equity was S\$24.54 billion after accounting for the payment of final dividend totalling S\$1.71 billion in August 2015.

The currency translation losses increased by S\$128 million from a quarter ago arising mainly from the translation of net assets of Telkomsel and Optus with the significant weakening of the local currencies.

SECTION 1 : GROUP**LIQUIDITY AND GEARING**

	As at		
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	30 Sep 2014 S\$ m
Gross debt			
Current debt	94	26	193
Non-current debt	10,709	8,653	8,863
Gross debt as reported in statement of financial position	10,802	8,679	9,056
Related net hedging asset ⁽¹⁾	(739)	(295)	(18)
Hedged gross debt	10,064	8,384	9,038
Less: Cash and bank balances	(733)	(1,390)	(524)
Net debt	9,331	6,995	8,514
Gross debt gearing ratio ⁽²⁾	29.1%	24.9%	27.4%
Net debt gearing ratio	27.5%	21.6%	26.2%

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.

Hedged gross debt increased by S\$1.68 billion to S\$10.06 billion from a quarter ago, mainly due to S\$1.68 billion of net increase in borrowings and mark-to-market movements. With lower cash balance, net debt gearing increased to 28% from 22% a quarter ago.

SECTION 1 : GROUP**CASH FLOW AND CAPITAL EXPENDITURE**

	Quarter			Half Year		YOY Chg %
	30 Sep	30 Sep	30 Jun	30 Sep	30 Sep	
	2015	2014	2015	2015	2014	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	1,412	1,389	1,314	2,725	2,681	1.6
Non-cash items	(125)	(48)	(65)	(190)	(110)	73.0
Operating cash flow before working capital changes	1,287	1,342	1,249	2,536	2,572	-1.4
Changes in operating assets and liabilities	(365)	5	(377)	(742)	(131)	464.6
	922	1,346	871	1,794	2,440	-26.5
Cash paid to employees under performance share plans	(3)	(1)	*	(3)	(1)	121.4
Tax paid on operating activities	(243)	(286)	(70)	(313)	(332)	-5.7
Operating cash flow before dividends from associates	676	1,059	801	1,478	2,107	-29.9
Dividends received from associates	297	277	761	1,058	1,034	2.3
Withholding tax paid on dividends received	(24)	(22)	(80)	(103)	(97)	6.7
	950	1,315	1,483	2,433	3,044	-20.1
Net cash outflow for investing activities						
Accrued capital expenditure	(449)	(562)	(390)	(839)	(920)	-8.8
Changes in creditors' balances	(23)	(21)	(119)	(142)	(208)	-31.7
Cash capital expenditure	(473)	(582)	(509)	(981)	(1,128)	-13.0
Investment in associates	-	-	-	-	(1)	nm
Deferred proceeds/ proceeds from disposal of associates	14	-	-	15	-	nm
Payment for purchase of spectrum	(44)	(746)	(28)	(72)	(825)	-91.3
Payment for purchase of subsidiaries, net of cash acquired	(1,057)	(433)	-	(1,057)	(443)	138.6
Investment in venture investments	(9)	(8)	(16)	(24)	(19)	26.0
Proceeds from disposal of venture investments	33	9	19	52	49	4.9
Proceeds from disposal of property, plant and equipment	5	3	*	5	4	25.6
Withholding tax paid on interest received on inter-company loans	(13)	(16)	-	(13)	(16)	-18.9
Others	2	(14)	(14)	(12)	(13)	-10.4
	(1,542)	(1,787)	(546)	(2,088)	(2,392)	-12.7
Net cash (outflow)/ inflow for financing activities						
Net increase/ (decrease) in borrowings	1,683	2,021	(6)	1,677	1,040	61.4
Net interest paid on borrowings and swaps	(69)	(61)	(84)	(153)	(158)	-3.1
Final dividend paid to shareholders	(1,705)	(1,594)	-	(1,705)	(1,594)	7.0
Purchase of performance shares	(19)	(14)	(15)	(34)	(35)	-2.8
Others	1	-	-	1	-	nm
	(109)	352	(105)	(214)	(747)	-71.3
Net (decrease)/ increase in cash and cash equivalents	(702)	(121)	832	130	(95)	nm
Exchange effects on cash and cash equivalents	45	(4)	(5)	40	(3)	nm
Group cash and cash equivalents at beginning	1,390	649	563	563	623	-9.6
Group cash and cash equivalents at end	733	524	1,390	733	524	39.9
Group free cash flow						
Singapore	134	314	250	384	669	-42.5
Optus	69	162	43	112	310	-63.9
Group free cash flow (before associates' dividends)	203	477	293	496	979	-49.3
Dividends received from associates (net of withholding tax)	274	256	682	955	938	1.9
Group free cash flow	477	732	974	1,451	1,916	-24.3
Optus free cash flow (in A\$)	71	138	41	112	265	-57.7
Cash capex to operating revenue	11%	14%	12%	12%	13%	

SECTION 1 : GROUP

Net cash inflow from operating activities (before associates' dividend receipts) for the quarter amounted to S\$676 million, down 36% from the last corresponding quarter. Cash flows from the associates remained healthy and in October 2015, the Group further received S\$165 million as its share of Telkomsel's special dividend. In Singapore, operating cash inflow was down S\$183 million due to increased payments to trade creditors and higher cash taxes, coupled with approximately S\$70 million receipts from OpenNet in September 2014 quarter for fibre rollout completion not repeated this quarter. In Australia, net cash inflow declined A\$121 million due mainly to higher investments in mobile customer acquisitions and retentions as well as increased payments to trade creditors.

Compared to a quarter ago, operating cash flow decreased 36% mainly attributed to higher cash taxes as well as lower dividends received from associates due to timing.

Net cash outflow for investing activities was S\$1.54 billion. In the quarter, payments of S\$1.06 billion were made for the acquisition of 98% equity interest in Trustwave. Cash capital expenditure decreased 19% to S\$473 million. The expenditure comprised S\$162 million for Singapore and S\$311 million (A\$308 million) for Australia. In Singapore, major capital investments in the quarter included S\$63 million for fixed and data infrastructure, S\$41 million for information systems and S\$40 million for mobile networks. In Australia, capital investments in mobile networks and other core infrastructure amounted to A\$177 million and A\$131 million respectively. Other investing cash outflows included spectrum payments of A\$44 million for Optus' licence renewal.

The Group's free cash flow declined 35% to S\$477 million with lower operating cash partly offset by lower cash capital expenditure.

Net cash financing outflow of S\$109 million mainly comprised payment of final dividends totalling S\$1.71 billion in August 2015 and interest payments of S\$69 million partly offset by net increase in borrowings of S\$1.68 billion.

Overall cash balance decreased S\$657 million from a quarter ago, and the cash balance was S\$733 million as at 30 September 2015.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER

MANAGEMENT DISCUSSION AND ANALYSIS

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the regional mobile associates in the emerging markets. The results shown in this section are for the consumer businesses across Singapore and Australia only. The results of the regional mobile associates are discussed in **Section 5**.

From 1 April 2015, certain businesses such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

FINANCIAL HIGHLIGHTS

FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

- Results adversely impacted by 13% depreciation of the Australian Dollar.
- Operating revenue at S\$2.54 billion – down 4.0%.
- EBITDA at S\$831 million – down 1.8%.
- EBIT at S\$468 million – down 1.7%.
- In constant currency terms, operating revenue, EBITDA and EBIT increased by 6.8%, 9.1% and 8.5% respectively.

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015

- The Australian Dollar declined by 12% from the same period last year.
- Operating revenue at S\$5.14 billion – down 1.1%.
- EBITDA stable at S\$1.64 billion.
- EBIT stable at S\$902 million.
- In constant currency terms, operating revenue, EBITDA and EBIT increased by 9.0%, 8.9% and 8.3% respectively.

SECTION 2 : GROUP CONSUMER**GROUP CONSUMER SUMMARY INCOME STATEMENTS****For The Second Quarter And Half Year Ended 30 September 2015**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	Restated 2014 S\$ m		2015 S\$ m	Restated 2014 S\$ m	
Operating revenue	2,535	2,640	-4.0	5,138	5,194	-1.1
Operating expenses	(1,737)	(1,823)	-4.7	(3,568)	(3,594)	-0.7
	798	818	-2.4	1,570	1,600	-1.8
Other income	33	29	15.2	65	51	27.3
EBITDA	831	847	-1.8	1,635	1,651	-0.9
- margin	32.8%	32.1%		31.8%	31.8%	
Depreciation & amortisation	(364)	(371)	-1.9	(734)	(742)	-1.1
EBIT	468	476	-1.7	902	909	-0.8

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Selling & administrative	612	711	-13.9	1,249	1,440	-13.3
Traffic expenses	429	466	-8.1	863	922	-6.4
Cost of sales	408	328	24.5	861	598	44.1
Staff costs	230	258	-10.7	476	518	-8.2
Repair & maintenance	49	51	-2.6	99	98	0.9
Others	9	9	-6.4	21	18	13.9
Operating expenses	1,737	1,823	-4.7	3,568	3,594	-0.7

Note:

(1) The above figures include the costs of International Group division which have responsibility over the regional mobile associates.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER OPERATING HIGHLIGHTS**For The Second Quarter Ended 30 September 2015**

The Australian Dollar depreciated 13% against the Singapore Dollar from the same quarter last year, thus negatively impacting the Group Consumer's results. Australia Consumer contributed 76% (Q2 FY2015: 77%) and 76% (Q2 FY2015: 79%) to the Group Consumer's operating revenue and EBITDA respectively.

Operating revenue declined 4.0%, while EBITDA and EBIT declined 1.8% and 1.7% respectively. In constant currency terms, operating revenue, EBITDA and EBIT increased by 6.8%, 9.1% and 8.5% respectively with strong growth across Singapore and Australia.

Australia maintained its strong growth momentum this quarter, with increase in operating revenue of 8.9% and improved EBITDA of 8.7%. The increase was mainly driven by stronger mobile performance from increased mobile service ARPU and a higher postpaid handset customer base.

EBITDA for Singapore Consumer rose 9.5% on better cost management and foreign exchange gains. Operating revenue was stable as growth in Mobile Communications and Consumer Home services was offset by the decline in International Telephone revenue.

For The Half Year Ended 30 September 2015

For the first half year, operating revenue declined by 1.1% while EBITDA and EBIT were stable as the Australian Dollar fell 12%. In constant currency terms, operating revenue, EBITDA and EBIT were up 9.0%, 8.9% and 8.3% respectively, reflecting robust performances in both Singapore and Australia.

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

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	
Operating revenue	2,535	2,603	-2.6
Operating expenses	(1,737)	(1,830)	-5.1
Other income	33	32	5.4
EBITDA	831	804	3.4
- margin	32.8%	30.9%	
Depreciation & amortisation	(364)	(370)	-1.8
EBIT	468	434	7.7

The results for the quarter were affected by the 3% decline in the Australian Dollar. EBITDA and EBIT, however, increased by 3.4% and 7.7% respectively on strong cost control.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER SUMMARY INCOME STATEMENTS

For The Second Quarter And Half Year Ended 30 September 2015

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated 2015 S\$ m	2014 S\$ m		Restated 2015 S\$ m	2014 S\$ m	
Operating revenue	597	598	-0.3	1,207	1,175	2.7
Operating expenses	(405)	(416)	-2.6	(810)	(804)	0.8
	192	182	5.2	397	372	6.9
Other income ⁽²⁾	13	5	175.0	22	9	146.6
EBITDA	205	187	9.5	419	380	10.2
- margin	34.3%	31.2%		34.7%	32.4%	
EBIT	138	126	10.1	288	259	10.9

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Mobile communications	328	320	2.3	655	636	2.9
Sale of equipment	71	71	0.1	149	122	22.4
Fixed broadband	54	51	4.7	106	101	5.3
Residential Pay TV	52	52	0.2	103	105	-1.7
International telephone	48	53	-9.1	102	108	-5.2
National telephone	31	32	-4.4	61	64	-4.7
Others ⁽³⁾	15	20	-26.8	31	40	-21.8
Operating revenue	597	598	-0.3	1,207	1,175	2.7
Selling & administrative	206	208	-0.9	405	403	0.4
Cost of sales	72	68	4.8	149	117	27.4
Traffic expenses	64	75	-15.2	132	156	-15.6
Staff costs	57	59	-2.6	110	115	-4.2
Repair & maintenance	12	12	7.8	25	23	7.4
Others	(6)	(5)	5.7	(10)	(11)	-2.8
Operating expenses	405	416	-2.6	810	804	0.8

Notes:

- (1) The above figures exclude costs of International Group which have responsibility over the regional mobile associates.
- (2) Other income include trade foreign currency exchange differences, rental income, gain or loss on disposal of scrap copper and property, plant and equipment and other recoveries. The net trade foreign exchange gains amounted to S\$7 million (Q2 FY2015: less than S\$0.01 million) for the quarter and S\$10 million (H1 FY2015: less than S\$0.01 million) for the half year ended 30 September 2015.
- (3) Other revenue include digital services, inter-operator tariff discounts, and revenue from mobile network cabling works and projects.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER OPERATING PERFORMANCE

For The Second Quarter Ended 30 September 2015

Operating revenue was stable as growth in Mobile Communications and Consumer Home services was offset by the decline in International Telephone revenue.

Mobile Communications revenue grew 2.3% due to strong data growth partially offset by continued declines in roaming, voice and SMS. Demand for mobile data services continued to surge, driven by improvements in content, network experience and new handset launches.

Postpaid revenue increased steadily as customers migrated to 4G Combo service plans and upgraded to higher data bundles. In the quarter, 25% of customers on tiered plans exceeded their data bundles, up from 19% in the last corresponding quarter. In the prepaid segment, more than half of Singtel's customers are users of mobile data services. During the quarter, Singtel launched data-centric and 'contract free' SIM-only plans. Customers can customise the amount of data, talk time and SMS bundles according to their preferences and manage their communication needs.

To enhance customers' data usage experience and provide better in-building network coverage, Singtel expanded its 4G/LTE service on the 900 MHz spectrum. In addition, Singtel Premium WiFi footprint was also widened to more than 600 access points across shopping malls and MRT stations, up from 500 access points a quarter ago.

Consumer Home Services which comprise residential pay TV, fixed broadband and voice revenues grew 2%, excluding the non-recurring revenue that was included in September 2014 quarter from the broadcast of the 2014 FIFA World Cup. Singtel TV continued to broaden its content offerings with the addition of Eurosports and Discovery channels. Fixed broadband revenue was up 4.7% as more customers upgraded to higher speed plans, including the 1 Gbps fibre plan.

Overall operating expenses decreased by 2.6% on better cost management. Traffic expenses declined 15% largely due to lower roaming cost and outpayment rates. Staff costs declined due to lower accruals for performance share expenses and improved efficiencies.

Other income increased by S\$8 million mainly on net foreign exchange gains arising from revaluation of monetary trade balances and the related hedges for content payables.

Overall, EBITDA grew strongly by 9.5%. After including the increase in depreciation charges mainly from the expansion and upgrading of mobile networks, EBIT increased 10%. Excluding the losses recorded in September 2014 quarter for the 2014 FIFA World Cup, EBITDA and EBIT would have increased 7.0% and 6.4% respectively.

For The Half Year Ended 30 September 2015

Operating revenue for the first half year grew 2.7% mainly from growth in Equipment sales and Mobile Communications revenues. Overall EBITDA and EBIT grew 10% and 11% respectively. Excluding the losses for the 2014 FIFA World Cup last corresponding period, EBITDA and EBIT rose 7.4% and 6.9% respectively.

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

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	
Operating revenue	597	611	-2.3
Operating expenses	(405)	(405)	0.1
Other income	13	9	55.3
EBITDA	205	214	-4.5
- margin	34.3%	35.1%	
Depreciation & amortisation	(66)	(65)	2.0
EBIT	138	149	-7.3

The results in the June 2015 quarter were lifted by a one off adjustment of S\$5 million to inpayment revenue.

SECTION 2 : GROUP CONSUMER**AUSTRALIA CONSUMER SUMMARY INCOME STATEMENTS**
For The Second Quarter And Half Year Ended 30 September 2015

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 A\$ m	2014 A\$ m		2015 A\$ m	2014 A\$ m	
Operating revenue	1,921	1,764	8.9	3,829	3,455	10.8
Operating expenses	(1,316)	(1,210)	8.8	(2,677)	(2,390)	12.0
Other income	605	554	9.2	1,151	1,065	8.1
	20	21	-4.2	41	35	15.9
EBITDA	625	575	8.7	1,192	1,100	8.4
- margin	32.5%	32.6%		31.1%	31.8%	
EBIT	331	308	7.4	607	567	6.9

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 A\$ m	2014 A\$ m		2015 A\$ m	2014 A\$ m	
Incoming	245	233	5.2	481	449	7.2
Outgoing	915	890	2.8	1,829	1,763	3.7
Total Mobile Service	1,160	1,123	3.3	2,309	2,211	4.4
Equipment	307	197	55.9	614	357	71.8
Total Mobile Revenue	1,467	1,319	11.2	2,924	2,569	13.8
Voice ⁽¹⁾	105	115	-8.7	210	232	-9.8
Broadband ⁽¹⁾	127	129	-1.1	259	257	0.6
Pay TV	23	19	22.0	46	38	20.4
Mass Market Fixed On-net	256	263	-2.8	514	527	-2.6
Mass Market Fixed Off-net ⁽²⁾	33	15	129.5	59	25	132.5
Total Mass Market Fixed	290	278	4.2	573	553	3.7
Data & IP	60	60	0.4	120	122	-1.8
Voice	35	34	3.8	70	69	2.2
Satellite	70	73	-4.3	142	143	-0.6
Total Wholesale Fixed	165	167	-1.0	332	334	-0.5
Operating revenue	1,921	1,764	8.9	3,829	3,455	10.8

Notes:

(1) Comparatives have been restated to be consistent with the current quarter.

(2) Included NBN migration revenue of A\$13 million (Q2 FY2015: A\$7 million) for the quarter and A\$25 million (H1 FY2015: A\$11 million) for the half year ended 30 September 2015.

SECTION 2 : GROUP CONSUMER

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 A\$ m	2014 A\$ m		2015 A\$ m	2014 A\$ m	
Selling & administrative	401	433	-7.5	818	889	-8.0
Traffic expenses	362	338	7.0	712	658	8.1
Cost of sales	334	224	48.7	693	413	67.7
Staff costs	169	168	0.4	352	340	3.3
Repair & maintenance	37	34	8.7	72	65	12.1
Others	14	13	12.2	30	25	21.2
Operating expenses	1,316	1,210	8.8	2,677	2,390	12.0

AUSTRALIA CONSUMER OPERATING PERFORMANCE**For The Second Quarter Ended 30 September 2015**

This quarter, Australia Consumer maintained its strong growth momentum with operating revenue growth of 8.9% and EBITDA growth of 8.7%. The revenue growth was mainly driven by stronger mobile performance from increased mobile service ARPU and higher postpaid handset customer base.

Outgoing mobile service revenue grew 2.8% (7.2% excluding the impact of device repayment plan credits) as Optus' 'My Plan' offers continued to drive positive net postpaid handset customer additions of 60,000² this quarter.

Reflecting Optus' continued focus on improving the quality of new prepaid customers, prepaid handset service revenue grew 6.4%. This was attributable to higher prepaid ARPU partly offset by the decline in customer base of 45,000 this quarter.

The number of 4G mobile customers increased by 310,000 this quarter, resulting in the total 4G customer base increasing to 4.08 million at 30 September 2015, up from 3.77 million³ a quarter ago.

Optus announced a three-year multimedia partnership with Cricket Australia, giving its customers access to the best cricket action this summer, streaming live matches unmetered on Optus' latest mobile plans. Optus also won the bid for the exclusive Australian live broadcast and digital rights to the Barclays Premier League for three seasons, commencing in August 2016. These partnerships reflect Optus' drive to become a mobile-led multimedia company.

Optus continued its mobile network investment, reaching more than 90% population coverage with 4G available on 4,170 sites, of which 2,893 have been upgraded to 700 MHz spectrum, as of 31 October 2015. In the 2015 P3 CommsDay Annual Benchmark survey, Optus was ranked as best overall for data performance on highways, a strong testament to Optus' mobile network improvement.

² Including Enterprise customers, total Optus postpaid handset customers grew 57,000 to 4.71 million.

³ Including Enterprise customers, total Optus 4G customers increased from 3.82 million to 4.13 million.

SECTION 2 : GROUP CONSUMER

In Mass Market Fixed, operating revenue grew 4.2% from higher off-net revenue driven mainly by an increase of 18,000 in the NBN broadband customer base and an increased take-up of Optus TV. In October 2015, Optus was ranked first in the monthly Netflix Internet Service Provider index for providing the best prime-time streaming experience.

Wholesale fixed revenue declined 1.0% on lower satellite project revenues partly offset by higher voice revenue.

Continued focus on customer engagement and innovation has resulted in an improvement in the market NPS score for Australia Consumer to +11 this quarter. Average monthly postpaid churn continued to decline from 1.1% in the preceding quarter to 1.0%.

Total operating expenses increased 8.8%. The increase in cost of sales was in line with higher Equipment sales. Traffic expenses increased 7.0% in line with higher mobile service revenue (excluding device repayment plan credits). The increases were partially offset by lower selling and administrative expenses of 7.5% mainly due to lower customer acquisition and retention costs as a result of higher take-up of device repayment plans.

Overall EBITDA increased A\$50 million or 8.7%. EBIT was up A\$23 million or 7.4% with higher depreciation and amortisation charges from increased investments in the mobile network and spectrum (700 MHz spectrum was released on 1 January 2015).

For The Half Year Ended 30 September 2015

For the first half year, operating revenue grew 11% driven by stronger mobile revenues, with EBITDA and EBIT up by 8.4% and 6.9% respectively. Operating expenses increased 12% as higher revenues drove increases in cost of sales and traffic expenses.

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

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 A\$ m	30 Jun 2015 A\$ m	
Operating revenue	1,921	1,907	0.7
Operating expenses	(1,316)	(1,361)	-3.4
Other income	20	21	-6.9
EBITDA	625	567	10.2
- margin	32.5%	29.7%	
Depreciation & amortisation	(294)	(292)	0.9
EBIT	331	276	20.1

Despite stable operating revenue, EBIT grew by 20% with relatively flat depreciation charges and lower selling and administrative expenses, staff costs and cost of sales.

AUSTRALIAN GOVERNMENT'S NBN PROJECT

In June 2011, Optus and NBNCo reached an agreement on the migration of Optus' HFC customers, with the total value of the agreement being approximately A\$800 million on a post-tax NPV basis. In December 2014, Optus and NBNCo reached a revised agreement where the overall value remains comparable to the 2011 Optus HFC Subscriber Agreement, with the majority of the payments to be received progressively on migration.

Under the terms of the agreement, once Optus HFC subscribers have been migrated to the NBN, Optus will progressively transfer ownership of its coaxial cable and ancillary assets to NBNCo, while retaining ownership of strategic aerial fibre assets used to connect mobile base stations and business customers.

The revised agreement was conditional upon ACCC's approval and a ruling by the Australian Taxation Office, which have both been obtained during the quarter.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE

MANAGEMENT DISCUSSION AND ANALYSIS

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

From 1 April 2015, Singtel refined the revenue/ cost allocation methodologies between the various business units in Singapore. The comparatives for Group Enterprise have been restated to be consistent with current periods. See **Appendix 5** for more details.

With the integration of NetLink Trust and OpenNet on 1 October 2014, Singtel relinquished its role as the key sub-contractor in respect of fibre rollout and maintenance. Accordingly, the financial highlights shown below excluded the results of fibre rollout and maintenance business and the related revenue share.

FINANCIAL HIGHLIGHTS

FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015

- Operating revenue at S\$1.54 billion – down 1.4%.
- EBITDA at S\$512 million – up 1.5%.
- EBIT at S\$362 million – up 2.8%.
- In constant currency terms, operating revenue, EBITDA and EBIT increased 2.3%, 3.8% and 4.2% respectively.

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015

- Operating revenue at S\$3.04 billion – down 1.0%.
- EBITDA and EBIT stable at S\$995 million and S\$696 million respectively.
- In constant currency terms, operating revenue grew 2.4% and both EBITDA and EBIT increased 2.0%.

SECTION 3 : GROUP ENTERPRISE**GROUP ENTERPRISE SUMMARY INCOME STATEMENTS**
For The Second Quarter And Half Year Ended 30 September 2015

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	Restated 2014 S\$ m		2015 S\$ m	Restated 2014 S\$ m	
Operating revenue	1,538	1,598	-3.8	3,041	3,153	-3.5
Operating expenses	(1,036)	(1,057)	-2.0	(2,064)	(2,114)	-2.4
	502	541	-7.3	977	1,039	-6.0
Other income ⁽²⁾	10	6	72.4	18	12	53.0
EBITDA	512	547	-6.4	995	1,051	-5.3
- margin	33.3%	34.2%		32.7%	33.3%	
Depreciation & amortisation	(150)	(152)	-1.5	(298)	(304)	-1.9
EBIT	362	395	-8.3	696	747	-6.7
<u>Excluding fibre rollout and maintenance</u>						
Operating revenue	1,538	1,560	-1.4	3,041	3,072	-1.0
EBITDA	512	504	1.5	995	995	-0.1
EBIT	362	352	2.8	696	692	0.7

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015	2014		2015	2014	
	S\$ m	S\$ m		S\$ m	S\$ m	
Cost of sales	349	337	3.4	682	695	-1.9
Staff costs	302	315	-4.1	606	621	-2.4
Selling & administrative	198	192	3.3	395	380	3.9
Traffic expenses	163	182	-10.4	333	364	-8.6
Repairs, maintenance and other expenses/ recoveries	25	32	-21.5	49	54	-10.0
Operating expenses	1,036	1,057	-2.0	2,064	2,114	-2.4
(ex-fibre rollout & maintenance)	1,036	1,062	-2.4	2,064	2,089	-1.2

Notes:

- (1) Trustwave, acquired on 1 September 2015, is consolidated with effect from 30 September 2015 as its results, financial position and cash flows for the one month are not material to the Group.
- (2) Other income include trade foreign exchange differences, rental income, gain or loss on disposal of property, plant and equipment, and other recoveries.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE OPERATING HIGHLIGHTS

For the Second Quarter Ended 30 September 2015

Singapore contributed 75% (Q2 FY2015: 72%) and 85% (Q2 FY 2015: 84%) to Group Enterprise's operating revenue and EBITDA respectively.

Excluding fibre rollout and maintenance, operating revenue declined 1.4%, impacted by a weaker Australian Dollar. If the Australian Dollar was held constant against the Singapore Dollar, operating revenue would have increased 2.3% from stronger ICT performance across Singapore and Australia.

Singapore Enterprise revenue grew 3.0% mainly driven by higher ICT and Data and Internet revenues. In Australia, Enterprise revenue was stable in Australian Dollar terms but declined 12% in Singapore Dollar terms.

Adjusted for the fibre rollout business, operating expenses declined 2.4%. Staff costs declined 4.1% due mainly to the impact of a weaker Australian Dollar and lower accruals for performance share and bonus expenses. Selling and administrative expenses increased attributable to sponsorship costs for the SEA Games 2015 and increased mobile customer retention costs. Traffic expenses declined on lower roaming costs.

Other income increased due mainly to foreign exchange gains recognised on revaluation of trade monetary balances. Consequently, EBITDA and EBIT grew 1.5% and 2.8% respectively, reflecting the momentum from key growth engines. In constant currency terms, EBITDA and EBIT increased by 3.8% and 4.2% respectively.

During the quarter, the acquisition of Trustwave was completed, which deepened Group Enterprise's security capabilities. In Singapore, S\$400 million was invested in a new data centre to meet the growing demand for co-location and cloud services. Group Enterprise also introduced a high-definition video conferencing service that would allow enterprises to have face-to-face meetings in the cloud from any device.

Singtel was chosen to be one of Cyber Security Agency of Singapore's (CSA) partners to enhance Singapore's cyber security ecosystem. NCS also supported Singapore's Smart Nation initiatives by committing to train 100 entrant-level professionals over two years under IDA's Company-Led Training Programme.

In the quarter, Group Enterprise played a key role in supporting major national events with its telco infrastructure services, and was a founding member of "99% SME", a nationwide effort to raise awareness and encourage support for SMEs.

For the Half Year Ended 30 September 2015

For the half year, operating revenue, EBITDA and EBIT remained stable. If the Australian Dollar was held constant against the Singapore Dollar, operating revenue would have increased by 2.4% and both EBITDA and EBIT would be up 2.0%.

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

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	
Operating revenue	1,538	1,503	2.3
Operating expenses	(1,036)	(1,028)	0.8
Other income	10	8	31.6
EBITDA	512	483	5.9
- margin	33.3%	32.1%	
Depreciation & amortisation	(150)	(149)	0.9
EBIT	362	335	8.1

Operating revenue grew 2.3% from increased ICT contribution while operating expenses were stable in the quarter. Other income was boosted by foreign exchange gains this quarter. Consequently, EBITDA and EBIT grew 5.9% and 8.1% respectively.

SECTION 3 : GROUP ENTERPRISE

SINGAPORE ENTERPRISE

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Managed services ⁽¹⁾	308	286	7.8	586	574	2.1
Business solutions ⁽²⁾	158	157	0.6	295	287	2.7
ICT	466	443	5.3	881	861	2.3
Data and Internet ⁽³⁾	339	323	5.0	670	641	4.5
Mobile communications	203	202	0.3	405	405	0.1
International telephone	50	59	-14.0	105	114	-8.5
National telephone	45	46	-1.5	89	91	-2.5
Sale of equipment	23	18	28.1	51	40	26.9
Miscellaneous	19	22	-12.3	43	43	0.2
Operating revenue	1,146	1,112	3.0	2,244	2,196	2.2
Fibre rollout and maintenance	-	38	nm	-	81	nm
Total revenue	1,146	1,150	-0.4	2,244	2,276	-1.4
EBITDA	434	459	-5.4	840	880	-4.5
(ex-fibre rollout & maintenance)	434	416	4.3	840	824	1.9

Notes:

- (1) Include facility management, managed and network services, and value-added reselling and services.
(2) Include applications management services and outsourcing, system integration and business process outsourcing and communication engineering services.
(3) Include local leased circuits, international leased circuits, fixed broadband, Singtel Internet exchange and satellite.

Excluding the fibre rollout and maintenance business, operating revenue increased by 3.0% driven mainly by strong growth in ICT, Data and Internet, and Equipment sales partially offset by lower International Telephone revenue.

Overall ICT revenue increased 5.3%. Managed Services revenue grew 7.8% from the provision of government infrastructure and services, and the continued on-boarding of Singapore government agencies to the G-Cloud platform. Business Solutions revenue was stable.

NCS continued to maintain a healthy order book of S\$2.1 billion as at 30 September 2015. This quarter, NCS won several major service contracts spanning system integration, IT facilities management and infrastructure maintenance.

Data and Internet revenue grew 5.0% from increased demand for both international and domestic circuits and bandwidth.

Mobile Communications revenue was stable. The growth in revenue resulting from a higher mobile customer base and the increased mix of customers on tiered data and roaming plans was offset by lower domestic and roaming voice, SMS and VAS revenues.

International Telephone revenue declined 14% with lower call volume. The impact of the decline was partially mitigated by lower traffic outpayment rates.

SECTION 3 : GROUP ENTERPRISE

AUSTRALIA ENTERPRISE

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015	2014		2015	2014	
	A\$ m	A\$ m		A\$ m	A\$ m	
ICT and Managed Services	144	138	4.8	285	255	11.9
Data and IP	82	92	-10.2	166	183	-9.0
Voice	89	87	1.8	176	176	-0.1
Mobile ⁽¹⁾	73	70	4.4	150	141	6.2
Operating revenue ⁽²⁾	389	387	0.5	777	754	3.0
EBITDA	77	76	1.4	151	147	2.6

Notes:

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

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

ICT and Managed Services revenue grew 4.8% following the acquisition of Ensyst in February 2015 and higher maintenance services revenue, partially offset by lower project and related hardware sales.

Data and IP revenue declined 10% from continued price competition, migration of legacy data services to IP network solutions and customer-led rationalisation of services.

Voice revenue grew 1.8% from new businesses, partially offset by price erosions and declines in switched voice as businesses migrated to lower cost IP-based voice solutions.

Mobile revenue was up 4.4% from higher value added services (corporate messaging and applications) and Equipment sales, partially offset by lower roaming revenue.

During the quarter, Optus Business clinched a three-year multi-million dollar agreement with AccorHotels to be its single provider for all fixed voice and mobile services for more than 200 properties around Australia.

From September to November 2015, Optus Business successfully held its technology thought leadership roadshow, 'VISION On The Road', in 5 major Australian cities, bringing enterprises together to explore how they could facilitate change while driving growth.

SECTION 4 : GROUP DIGITAL LIFE

GROUP DIGITAL LIFE**MANAGEMENT DISCUSSION AND ANALYSIS**

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.

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 such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within GDL were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from the refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

FINANCIAL HIGHLIGHTS**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**

- **Operating revenue at S\$111 million – up 47%.**
- **Negative EBITDA at S\$34 million.**
- **Including amortisation of acquired intangibles, negative EBIT at S\$51 million.**

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015

- **Operating revenue at S\$214 million – up 94%.**
- **Negative EBITDA at S\$65 million.**
- **Negative EBIT at S\$98 million.**

SECTION 4 : GROUP DIGITAL LIFE

GROUP DIGITAL LIFE SUMMARY INCOME STATEMENTS

For The Second Quarter And Half Year Ended 30 September 2015

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	Restated			Restated		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Digital ⁽¹⁾	124	88	40.7	238	125	90.3
Others ⁽²⁾	2	6	-64.5	3	13	-78.8
Operating revenue	126	94	34.0	241	138	74.7
Intercompany eliminations	(15)	(18)	-20.4	(27)	(28)	-1.3
Operating revenue	111	76	47.2	214	110	93.7
Operating expenses	(144)	(116)	24.1	(279)	(188)	48.0
	(33)	(40)	-19.4	(65)	(78)	-16.8
Other (expense)/ income	(2)	*	nm	*	1	nm
EBITDA	(34)	(40)	-15.2	(65)	(77)	-15.8
Depreciation	(5)	(4)	30.6	(9)	(6)	39.1
Amortisation of intangibles	(12)	(19)	-36.1	(24)	(26)	-5.9
	(17)	(23)	-25.6	(33)	(32)	3.1
EBIT	(51)	(63)	-18.9	(98)	(109)	-10.3
Amobee group						
Operating revenue	124	88	40.7	238	125	90.3
Intercompany eliminations	(14)	(18)	-22.8	(27)	(28)	-3.3
Operating revenue	110	70	57.5	212	98	116.8
EBITDA	(13)	(12)	7.5	(28)	(26)	10.4
EBIT	(22)	(25)	-12.0	(46)	(41)	13.2

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	Restated 2014 S\$ m		2015 S\$ m	Restated 2014 S\$ m	
Cost of sales	75	43	73.6	146	74	98.6
Staff costs	42	38	11.1	87	64	36.7
Selling & administrative	23	32	-28.6	37	48	-21.6
Others	5	4	25.0	8	3	143.8
Operating expenses	144	116	24.1	279	188	48.0

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

Notes:

- (1) Mainly digital marketing (which includes digital advertising) revenue from Amobee group.
(2) In FY2015, other revenues were mainly from businesses no longer in operation.

SECTION 4 : GROUP DIGITAL LIFE

GROUP DIGITAL LIFE OPERATING HIGHLIGHTS

For The Second Quarter Ended 30 September 2015

Operating revenue for the quarter grew 47% to S\$111 million (Q2 FY2015: S\$76 million) with full quarter's contribution from Adconion which was acquired in August 2014 and increased social and video advertising services.

Negative EBITDA decreased by 15% to S\$34 million, reflecting business rationalisation and improved gross margins. The increase in cost of sales was in line with higher revenue while the higher staff costs were due to higher average headcount and staff incentive accruals. Negative EBIT was S\$51 million, after accounting for depreciation and amortisation of acquired intangibles for Amobee group.

Amobee's sales accelerator program continued its success with key customers such as Coke, Kellogg's, Verizon and Kraft. In this quarter, Amobee established new partnerships with Instagram and Pinterest, adding to its existing collaboration with Facebook and Twitter. Brands and advertisers can now harness Amobee's Brand Intelligence to drive customer engagement across the four major social media platforms. With the new partnerships, Amobee is now one of eight companies globally with Ads API integration across these platforms. During the quarter, Amobee was also named 'Top 20 Most Promising Digital Marketing Providers' by CIO Review⁴, as the industry recognised Amobee's capabilities in marketing technology.

HOOQ, which offers regional premium video, continued to expand. As at end September 2015, it has launched its service in the Philippines, Thailand and India.

DataSpark, with its advanced analytics and intelligence capabilities, expanded regionally through partnerships with the Group's associates and saw demand ramped up during the quarter with strong order book in the public sector.

For The Half Year Ended 30 September 2015

Operating revenue for the first half year almost doubled to S\$214 million (Q2 FY2015: S\$110 million). Negative EBITDA and EBIT were at S\$65 million (Q2 FY2015: S\$77 million) and S\$98 million (Q2 FY2015: S\$109 million) respectively.

⁴ A technology magazine published in California which provides review on innovative enterprise solutions.

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

Results for the current quarter compared to the preceding quarter ended 30 June 2015 were as follows:

	Quarter		QOQ Chge %
	30 Sep 2015 S\$ m	30 Jun 2015 S\$ m	
Operating revenue (before intercompany eliminations)	126	115	9.6
Intercompany eliminations	(15)	(13)	16.3
Operating revenue	111	102	8.8
Operating expenses	(144)	(135)	6.9
Other (expense)/ income	(2)	1	nm
EBITDA	(34)	(31)	9.7
Depreciation & amortisation	(17)	(16)	5.0
EBIT	(51)	(47)	8.1

Compared to a quarter ago, negative EBITDA and EBIT increased due to HOOQ's start-up costs following its expansion.

SECTION 5: ASSOCIATES / JOINT VENTURES

FINANCIAL HIGHLIGHTS**FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2015**

- The associates' pre-tax and post-tax contributions grew 9.7% and 8.4% respectively on higher profits of Telkomsel and Globe, partly offset by Airtel's higher fair value losses.
- The Group's combined mobile customer base⁵ was up 12 million or 2.1% in the quarter to 577 million.

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2015

- Associates' pre-tax and post-tax contributions grew by 8.3% and 8.5% respectively.
- If the regional currencies had remained stable from a year ago, the pre-tax and post-tax contributions from the associates would have increased by 9.0% and 9.6% respectively.

⁵ Combined mobile customer base here refers to the total number of mobile customers in Singtel, Optus and the regional mobile associates.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Pre-tax profit contribution ⁽¹⁾	Equity Int %	Quarter		YOY Chge %	Half Year		YOY Chge %
		30 Sep			30 Sep		
		2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Regional mobile associates							
Telkomsel	35.0						
- operating results		301	252	19.5	550	480	14.6
- fair value losses		(2)	(5)	-58.8	(2)	(10)	-81.7
		299	247	21.1	548	469	16.8
Bharti Telecom/ Bharti Airtel ("Airtel") ⁽²⁾	32.4						
- operating results (India and South Asia)		263	233	12.9	547	462	18.5
- operating results (Africa)		17	39	-54.9	33	65	-49.8
- net finance costs		(72)	(54)	31.9	(150)	(99)	51.8
- fair value losses		(56)	(15)	284.2	(110)	(35)	214.3
		153	203	-24.6	321	394	-18.6
AIS	23.3						
- operating results		104	101	2.2	220	198	11.2
- fair value (losses)/ gains		(1)	1	nm	(1)	1	nm
		102	103	-0.1	219	199	10.1
Globe	47.2						
- operating results		82	79	4.4	174	161	8.3
- fair value (losses)/ gains		(4)	(2)	131.6	(4)	1	nm
		78	77	1.3	170	161	5.3
		632	629	0.5	1,257	1,223	2.8
Other Singtel associates							
NetLink Trust ⁽³⁾	100.0	27	7	281.7	48	15	211.7
Others		25	19	32.6	44	39	15.0
Singtel share of ordinary results (pre-tax)		684	655	4.5	1,349	1,277	5.7
Optus share of ordinary results (pre-tax)		*	*	nm	*	*	nm
Group share of ordinary results (pre-tax)		684	655	4.4	1,350	1,277	5.7
Exceptional item ("EI")							
Globe - gains on disposal/ deemed disposal ⁽⁴⁾		22	-	nm	22	-	nm
Airtel - one-off items		-	(11)	nm	-	(11)	nm
Group share of EI		22	(11)	nm	22	(11)	nm
Singtel share of pre-tax profit ⁽²⁾		706	644	9.7	1,372	1,266	8.3
Optus share of pre-tax profit		*	*	nm	*	*	nm
Group share of pre-tax profit ⁽²⁾		706	644	9.7	1,372	1,266	8.3
(excluding fair value losses)		770	665	15.9	1,488	1,310	13.7
Group share of taxes		236	210	12.2	449	416	8.0
Effective tax rate		33.4%	32.6%		32.7%	32.8%	

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution	Quarter				YOY Chge %	Half Year				YOY Chge %
	30 Sep					30 Sep				
	2015		2014			2015		2014		
	S\$ m	% ⁽⁵⁾	S\$ m	% ⁽⁵⁾		S\$ m	% ⁽⁵⁾	S\$ m	% ⁽⁵⁾	
Regional mobile associates										
Telkomsel	224	23	186	19	20.7	411	22	353	19	16.4
Airtel ⁽²⁾										
- ordinary results (India and South Asia)	130		154		-15.9	272		301		-9.9
- ordinary results (Africa)	(76)		(51)		51.3	(143)		(106)		35.3
- exceptional items	-		(11)		nm	-		(11)		nm
	53	5	93	9	-42.8	128	7	185	10	-30.6
AIS	79	8	82	8	-2.6	172	9	158	8	9.1
Globe										
- ordinary results	54		53		1.7	118		111		5.9
- exceptional items	20		-		nm	20		-		nm
	74	8	53	5	40.1	138	7	111	6	24.1
	431	44	413	42	4.3	849	45	806	43	5.3
Other Singtel associates										
NetLink Trust ⁽³⁾	23	2	5	1	316.7	39	2	12	1	216.9
Others	21	2	16	2	31.6	38	2	32	2	16.8
Singtel share of post-tax profit ⁽²⁾	474	49	434	44	9.2	926	50	851	46	8.8
Optus share of post-tax profit	(3)	**	*	**	nm	(3)	**	*	**	nm
Group share of post-tax profit ⁽²⁾	471	48	434	44	8.4	923	49	851	46	8.5

Post-tax profit contribution (in constant currency) ⁽⁶⁾	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015	2014		2015	2014	
	S\$ m	S\$ m		S\$ m	S\$ m	
Regional mobile associates						
- operating results	702	650	8.0	1,381	1,267	9.0
- fair value losses	(62)	(21)	201.5	(114)	(44)	162.1
	640	629	1.7	1,267	1,223	3.6
Other associates	52	26	100.4	93	54	71.0
Group share of ordinary results	692	655	5.6	1,359	1,277	6.4
Group share of exceptional items	21	(11)	nm	21	(11)	nm
Group share of pre-tax profit	713	644	10.7	1,380	1,266	9.0
Group share of tax expense	(236)	(210)	12.2	(448)	(416)	7.9
Group share of post-tax profit	477	434	10.0	932	851	9.6

Notes:

- (1) The accounts of the associates are prepared based on local GAAP. Where applicable, the accounting policies of the associates have been restated for compliance with the Group's accounting policies.
- (2) Share of results excluded the Group's share of certain Airtel's exceptional items which have been classified as exceptional items of the Group.
- (3) NetLink Trust is 100% owned by Singtel and is equity accounted as an associate in the Group as Singtel does not control it.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

- (4) Gains on disposal/ deemed disposal relate to Globe's disposal of 51% equity interest in Yondu (a former 100% owned subsidiary) and fair valuation of its previously held equity interest of 38.3% in Bayantel (see **Page 48** for details).
- (5) Shows the post-tax profit contribution of the associates to the Group's underlying net profit.
- (6) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 30 September 2014.

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

The associates' pre-tax contributions were up 9.7% on higher profits at Telkomsel and Globe. Excluding the fair value losses mainly at Airtel, pre-tax contributions would have grown by 16%.

Telkomsel registered high double-digit growth in revenue and EBITDA, boosted by higher voice and data revenues. Airtel recorded increases in both consolidated revenue and EBITDA on continued strong operational results in India. However, its overall profits declined due to higher fair value losses and net finance costs, as well as weaker operational performance at Africa. AIS reported revenue growth and increased EBITDA from continued growth in mobile data services but this was offset by higher depreciation charges from the expanded 3G network. Globe reported higher revenue and EBITDA from customer gains and mobile data growth, with profits boosted by exceptional gains this quarter.

On a post-tax basis, the associates' post tax contributions were up 8.4% to S\$471 million and contributed 48% to the Group's underlying net profit, up 4 percentage points from the same quarter last year.

PT Telekomunikasi Selular ("Telkomsel")

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with over 100,400 radio base stations (of which 52% are 3G/4G base transceiver stations) providing nationwide coverage. Telkomsel continued to expand its network with a focus on growing data and digital services. In the quarter, Telkomsel added approximately 3,500 radio base stations, of which 85% were 3G/4G.

Operating revenue was up 18% year-on-year driven by strong growth across voice, data and digital businesses. Data and digital services grew a robust 49% on higher data usage and continued strong take-up of smartphones. Voice and SMS revenues recorded healthy growth of 13% and 5% respectively.

EBITDA rose 27% despite higher operation and maintenance costs from the accelerated network deployment.

The Group's share of Telkomsel's pre-tax profit rose 28% in Indonesian Rupiah terms after including fair value losses.

With the 6% depreciation of the Indonesian Rupiah against the Singapore Dollar this quarter, the Group's overall share of Telkomsel's pre-tax profit grew 21%.

On a post-tax basis, Telkomsel's profit contribution for the quarter increased 21% to S\$224 million which constituted 23% (Q2 FY2015: 19%) of the Group's underlying net profit.

Compared to the preceding quarter, EBITDA grew strongly by 20% on the back of 11% increase in operating revenue due to higher voice, SMS, data and digital services.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Telkomsel gained 4.5 million mobile customers in the quarter, compared to 2.6 million in the preceding quarter. The total mobile customer base grew 9.2 million or 6.6% from a year ago to 149 million, including 68 million of data customers at end of September 2015.

Bharti Telecom Group (“Airtel”)

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

India, Bangladesh and Sri Lanka (“India and South Asia”)

Airtel continued to invest in its network in India. During the quarter, it rolled out 3G on 900 MHz as well as 2100 MHz spectrum which it acquired in recent auctions. Airtel now has pan-India 3G presence except for Kerala.

Strong operating momentum continued in India this quarter. Operating revenue grew 10% with strong mobile data increase driven by higher usage and robust customer growth. Total data traffic rose a robust 70% while data ARPU increased 28%. Year-on-year, total voice minutes on its networks increased by 7% while voice realisation per minute was down 8% partly due to the regulatory change in interconnect usage charges (“IUC”) effective 1 March 2015.

EBITDA was up strongly by 15% and margin expanded from sustained revenue growth and improved cost efficiency. EBIT increased 12% after including higher depreciation from network expansion and increased spectrum amortisation charges following launches of 4G as well as 3G on newly acquired spectrum.

‘South Asia’ comprised operations in Sri Lanka and Bangladesh. After four quarters of decline, Airtel recorded a 4% increase in operating revenue in South Asia this quarter lifted by growth in mobile data. However, EBITDA was negative due to higher network and operating costs.

The Group’s share of pre-tax operating profit (before finance costs and fair value adjustments) from India and South Asia grew 10% in Indian Rupee terms. With a 3% appreciation of the Indian Rupee against the Singapore Dollar, pre-tax operating profit contribution increased 13% to S\$263 million.

Compared to the preceding quarter, both Airtel’s revenue and EBITDA from its India and South Asia operations were stable.

Airtel added 4.6 million mobile customers in India this quarter, similar to the preceding quarter. As at 30 September 2015, Airtel had 235 million mobile customers in India, an increase of 23 million or 11% from a year ago. The number of data customers grew 11 million or 27% to 51 million, representing 22% of mobile customers.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Africa

As at 30 September 2015, 'Airtel Money' and 3G mobile were available in all the 17 African countries that Airtel has presence in.

Africa's operating revenue grew 4% in constant currency terms driven by growth in mobile data and 'Airtel Money' services, partly offset by the impact of an IUC rate change in Nigeria and lower operating lease revenue with the divestment of some tower assets. Mobile data revenue grew 41% in constant currency terms on higher usage and increased data penetration. However, the significant depreciation of certain African currencies had negatively impacted Africa's reported results in US Dollar terms. Consequently, operating revenue declined 15% and EBITDA fell 28%.

The Group's share of Airtel Africa's pre-tax operating profit (before finance costs and fair value losses) declined 55% to S\$17 million in the quarter.

Compared to the preceding quarter, Airtel Africa's revenue grew 3% while EBITDA increased 2% in constant currency terms. With the weaker African currencies, operating revenue remained flat and EBITDA declined 3%.

Airtel Africa added 2.5 million mobile customers in the quarter, compared to 2.1 million added in the preceding quarter. As at 30 September 2015, the mobile customer base stood at 81 million, an increase of 9.5 million or 13% from a year ago. The number of data customers grew 3.2 million or 29% to 14 million, representing 18% of mobile customers.

During the quarter, Airtel successfully completed the sales of telecom towers in Zambia and Kenya. As at 30 September 2015, the total proceeds from sales of towers in 7 countries amounted to approximately USD 1.7 billion.

Overall

In Singapore Dollar terms, the Group's share of overall pre-tax ordinary profit from Airtel declined 25% to S\$153 million after including higher net finance costs and fair value losses. The share of net finance costs amounted to S\$72 million, up from S\$54 million due mainly to higher interest expense on borrowings and spectrum liabilities, and finance leases from the lease back of tower assets. The share of fair value losses (mainly derivatives and forex losses) increased steeply to S\$56 million (Q2 FY2015: S\$15 million) mainly from a stronger US Dollar.

Year-on-year, post-tax profit contribution from Airtel declined 43% to S\$53 million on higher effective tax rate in India due to expiry and reduction of tax holiday benefits in certain circles.

Overall, Airtel contributed 5% (Q2 FY2015: 9%) to the Group's underlying net profit. This contribution excluded Airtel's exceptional items in this quarter which comprised mainly of gains from the divestment of telecom tower assets partly offset by certain one off charges and fees. The Group's share of this net exceptional gain of S\$53 million has been classified as an exceptional item of the Group (see Page 14).

Including mobile customers across operations in 20 countries covering India, Bangladesh, Sri Lanka and across Africa, Airtel's total mobile customer base across all geographies grew 35 million or 12% from a year ago to 326 million as at 30 September 2015.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

During the quarter, Airtel and Axiata Group Berhad entered into an exclusive but non-binding agreement to explore the possibility of combining their business operations in Bangladesh. Airtel also entered into a definitive agreement to acquire 100% equity stake in Augere Wireless Broadband India Pvt. Ltd., which holds 20 MHz of 2300 band spectrum in the telecom circles of Madhya Pradesh and Chhattisgarh. The acquisition will further strengthen Airtel's data spectrum assets and is in line with Airtel's strategy of enhancing its leading market position in the fast growing data segment in the country. The acquisition is subject to regulatory approvals.

Advanced Info Service (“AIS”)

AIS, the largest mobile communications operator in Thailand, is listed on the Stock Exchange of Thailand. AIS provides mobile services on both 2G and 3G networks. The 2G service is operated under Built-Transfer-Operate (BTO) agreements with TOT Public Company Limited, which expired on 30 September 2015. The National Broadcasting and Telecommunications Commission (“NBTC”) has since announced a temporary measure requiring AIS to continue providing service to its subscribers until the 900 MHz spectrum auction takes place. The 3G service on 2100 MHz frequency is under a 15-year license issued by the NBTC, expiring in 2027.

Service revenue (excluding interconnect) grew 2% driven by growing mobile data usage amid increased smartphone penetration, offsetting the decline in voice. EBITDA grew 6% with regulatory costs savings from continued 3G migration, partly offset by higher handset subsidies and marketing expenses from aggressive handset campaigns to accelerate 3G adoption. Including higher depreciation charges from its expanded 3G network, AIS pre-tax profit fell marginally by 1% in Thai Baht terms.

With the Thai Baht strengthening by 1% against the Singapore Dollar this quarter, the Group's share of AIS' pre-tax profit was stable at S\$102 million.

Post-tax contribution declined 2.6% to S\$79 million and constituted 8% (Q2 FY2015: 8%) of the Group's underlying net profit.

Against the preceding quarter, AIS' EBITDA declined 4% from seasonally lower service revenue and increased handset subsidies.

As at 30 September 2015, AIS' total mobile customer base was 38 million, 2.3 million lower than a quarter ago. The decline was mainly due to customer churns arising from the regulatory requirement for all prepaid SIM cards to be registered by 31 July 2015. At the end of the quarter, approximately 36 million or 95% of the total mobile customer base were on 3G.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Globe Telecom, Inc (“Globe”)

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

In the quarter, Globe consolidated the results of Bayan Telecommunications, Inc. (“**Bayantel**”) following the increase in its equity interest in Bayantel from 38.3% to 98.6% in July 2015.

Globe’s service revenue grew 18% driven by a higher mobile customer base and strong adoption of data services. EBITDA rose 13% despite higher network costs and subsidies to drive customer acquisitions. With higher depreciation charges from consolidation of Bayantel and expansion of its asset base, Globe’s pre-tax ordinary profit declined 4% in Philippine Peso terms.

As the Philippine Peso strengthened 5% against the Singapore Dollar this quarter, Globe’s pre-tax ordinary profit contribution increased 1.3% to S\$78 million.

During the quarter, Globe divested 51% of its equity interest in Yondu, Inc. (“**Yondu**”), formerly a 100% owned subsidiary of Globe which provides mobile IT and content services. In addition, Globe fair valued its previously held equity interest of 38.3% in Bayantel following the acquisition of a controlling stake in Bayantel. The share of Globe’s exceptional gains arising from the above transactions totalled S\$22 million (pre-tax) and S\$20 million (post-tax).

Including exceptional gains, pre-tax profit contribution rose 30% to S\$100 million.

On a post-tax basis, Globe contributed S\$74 million or 8% (Q2 FY2015: 5%) to the Group’s underlying net profit.

Against the preceding quarter, Globe’s service revenue and EBITDA grew 7% and 3% respectively, on first time contribution from Bayantel in the quarter.

Globe added 1.8 million mobile customers in the quarter, compared to 2.2 million in the preceding quarter. As at 30 September 2015, its mobile customer base expanded to 50 million, up 7.3 million or 17% from a year ago.

NetLink Trust

NetLink Trust recorded net profit of S\$23 million for the quarter, up from S\$5 million in the same quarter a year ago.

The higher earnings reflected the contributions of OpenNet (acquired on 1 October 2014), a higher customer base, as well as the cessation of payment of fibre rollout and maintenance charges to Singtel from 1 October 2014.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

PROFORMA INFORMATION

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

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

Proportionate operating revenue	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 S\$ m	2014 S\$ m		2015 S\$ m	2014 S\$ m	
Group operating revenue						
Optus	2,334	2,494	-6.4	4,732	4,903	-3.5
Singapore subsidiaries	1,649	1,664	-0.9	3,285	3,296	-0.3
Other overseas subsidiaries (including Amobee)	202	152	32.8	376	258	45.9
	1,850	1,816	1.9	3,661	3,554	3.0
	4,184	4,309	-2.9	8,393	8,457	-0.8
Proportionate share of operating revenue of associates						
Regional mobile associates	3,144	2,843	10.6	6,173	5,677	8.7
Singapore associates	141	128	10.1	275	254	8.3
Other overseas associates	20	20	0.5	39	38	2.1
	3,304	2,990	10.5	6,487	5,969	8.7
Enlarged revenue	7,489	7,300	2.6	14,880	14,426	3.1
% of overseas revenue to enlarged revenue	76%	76%		76%	75%	

In the quarter, overseas revenue contributed 76% to the Group's enlarged revenue, similar to a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015	2014		2015	2014	
	S\$ m	S\$ m		S\$ m	S\$ m	
Group EBITDA						
Optus	712	755	-5.6	1,382	1,453	-4.9
Singapore subsidiaries	654	656	-0.4	1,312	1,289	1.8
Other overseas subsidiaries (including Amobee)	(76)	(77)	-1.4	(162)	(153)	5.8
	578	579	-0.3	1,149	1,136	1.2
	1,290	1,334	-3.3	2,531	2,588	-2.2
Proportionate share of associates' EBITDA ⁽¹⁾						
Regional mobile associates	1,338	1,173	14.0	2,617	2,319	12.8
Singapore associates	67	38	75.5	126	79	59.4
Other overseas associates	15	17	-6.7	29	25	16.5
	1,421	1,228	15.7	2,771	2,423	14.4
Total proportionate EBITDA	2,710	2,562	5.8	5,302	5,011	5.8
Overseas proportionate EBITDA as a % to total proportionate EBITDA	73%	73%		73%	73%	
Contributions to total proportionate EBITDA						
Regional mobile associates	49%	46%		49%	46%	
Australia	26%	29%		26%	29%	
Singapore	27%	27%		27%	27%	
Others	-2%	-2%		-3%	-3%	
	100%	100%		100%	100%	

Note:

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

Through its investments in key market overseas, the Group has diversified its earnings base. Overseas operations contributed 73% to proportionate EBITDA, stable from a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Number of mobile customers (000s)	Total Number			Proportionate Share ⁽¹⁾		
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Jun 2015	30 Sep 2014
Singtel	4,094	4,082	4,068	4,094	4,082	4,068
Optus	9,359	9,379	9,403	9,359	9,379	9,403
	13,453	13,461	13,471	13,453	13,461	13,471
Regional Mobile Associates						
Airtel						
- India	235,212	230,662	211,752	76,279	74,804	68,608
- Africa	80,835	78,323	71,367	26,215	25,400	23,123
- South Asia	9,852	9,019	7,678	3,195	2,925	2,487
	325,899	318,004	290,797	105,689	103,129	94,218
Telkomsel	148,560	144,064	139,348	51,996	50,422	48,772
AIS	37,811	40,061	43,795	8,817	9,342	10,213
Globe	50,112	48,351	42,854	23,648	22,817	20,227
	562,382	550,480	516,794	190,150	185,710	173,430
PBTL	1,113	1,187	1,416	501	534	637
	563,495	551,667	518,210	190,651	186,244	174,067
Group	576,948	565,128	531,681	204,104	199,705	187,538

Note:

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

The Group's combined mobile customer base was 577 million as at 30 September 2015, up 12 million or 2.1% from a quarter ago, and 45 million or 8.5% from a year ago. On a proportionate share basis, the Group's mobile customer base increased 2.2% to 204 million from a quarter ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES**CASH DIVIDENDS RECEIVED FROM ASSOCIATES / JOINT VENTURES ⁽¹⁾**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015	2014		2015	2014	
	S\$ m	S\$ m		S\$ m	S\$ m	
Regional mobile associates						
Telkomsel ⁽²⁾						
- final dividend FY 2014 / FY 2013	-	-	-	557	595	-6.4
AIS ⁽³⁾						
- interim dividend FY 2015 / FY 2014	181	162	11.8	181	162	11.8
- final dividend FY 2014 / FY 2013	-	-	-	165	152	8.8
	181	162	11.8	346	314	10.4
Globe ⁽⁴⁾						
- quarterly dividend FY2014/ FY 2013	39	34	16.1	78	34	131.6
Airtel ⁽⁵⁾						
- interim dividend FY 2015	-	20	nm	-	20	nm
- final dividend FY 2015 / FY 2014	28	22	25.6	28	22	25.6
	28	43	-34.1	28	43	-34.1
	248	238	4.2	1,008	984	2.4
Other associates						
Southern Cross/ PCHL ⁽⁶⁾	21	17	21.5	21	27	-23.2
SingPost	24	19	27.0	24	19	27.0
Others	5	4	30.0	6	4	27.3
Total	297	277	7.2	1,058	1,034	2.3

Notes:

- (1) The cash dividends received from overseas associates as stated here are before related tax payments.
- (2) Telkomsel declared a full year dividend of 90% on net profit for its 2014 financial year (FY 2013: 90%). The Group's share of the dividend was S\$628 million, of which S\$71 million was received in March 2015 and S\$557 million was received in June 2015 quarter. Telkomsel further declared a special dividend of 25% on net profit of its 2014 financial year. The Group received its share of the special dividend of S\$165 million in October 2015.
- (3) AIS declared a full year dividend of 99% on net profit for its 2014 financial year (FY 2013: 100%). Dividends will be paid twice a year, with an interim dividend distributed from the first half operating results and final dividend distributed from the second half operating results. The Group received its share of the interim dividend for 2015 financial year in September 2015.
- (4) Effective from the second half of its 2014 financial year, Globe pays dividends on a quarterly basis as compared to semi-annually in March and September of each year. Globe's dividend policy is to pay ordinary dividends of 75% to 90% of prior year's core net income. The Group received its share of the third quarterly dividend for Globe's 2014 financial year in September 2015. Globe will pay its next quarterly dividend of PHP 20.75 per common share in December 2015. The Group's share of this dividend is PHP 1.30 billion (approximately S\$39 million).
- (5) Airtel does not have a fixed dividend policy. The Group received its share of the final dividend for 2015 financial year from its direct stake of 15.01% in August 2015.
- (6) Southern Cross Cables Holdings Limited and Pacific Carriage Holdings Limited (PCHL), part of the Southern Cross consortium, do not have fixed dividend policies.

The total dividends received from the associates for the quarter increased 7.2% to S\$297 million due to higher payout by the associates partly offset by one off interim dividend received from Airtel in September 2014.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

KEY OPERATIONAL DATA

	Airtel ⁽¹⁾	Telkomsel	AIS	Globe	PBTL
Singtel's investment:					
Year of initial investment	2000	2001	1999	1993	2005
Effective economic interest (%)	32.4%	35.0%	23.3%	47.2%	45.0%
Investment to date	S\$2.69 bil	S\$1.93 bil	S\$1.20 bil	S\$1.02 bil	S\$238 mil
Closing market share price ⁽²⁾	INR 338.0	NA	THB 226 ⁽³⁾	PHP 2,348	NA
Market capitalisation					
- Total	S\$28.91 bil	NA	S\$26.34 bil	S\$9.49 bil	NA
- Singtel holding	S\$9.38 bil	NA	S\$6.14 bil	S\$4.48 bil	NA
Operational Performance :					
Mobile penetration rate ⁽⁴⁾	78%	122%	138%	117%	79%
Market share, 30 Sep 2015 ⁽⁴⁾	23.6%	48.0%	46.3%	42.8%	0.8%
Market share, 30 Jun 2015 ⁽⁵⁾	23.5%	46.9%	46.3%	41.3%	1.0%
Market position ⁽⁶⁾	#1	#1	#1	#2	#6
Mobile customers ('000)					
- Aggregate	325,899	148,560	37,811	50,112	1,113
- Proportionate	105,689	51,996	8,817	23,648	501
Growth in mobile customers (%) ⁽⁷⁾	12%	6.6%	-14%	17%	-21%
Credit ratings					
- Sovereign (Moody's/ S&P's)	Baa3/BBB-	Baa3/BB+	Baa1/BBB+	Baa2/BBB	Ba3/BB-
- Company (Moody's/ S&P's)	Baa3/BBB-	Baa1/BBB-	NA/A-	NA	NA

Notes:

- (1) Mobile penetration rate, market share and market position pertain to India market only.
- (2) Based on closing market price on 30 September 2015, in local currency.
- (3) Based on local market price quoted on the Stock Exchange of Thailand.
- (4) Based on actual data or latest data available as of 30 September 2015.
- (5) Based on actual data.
- (6) Based on number of mobile customers.
- (7) Compared against 30 September 2014 and based on aggregate mobile customers.

NA Denotes not applicable.

Please refer to **Appendix 6** for the currency rate movements of the major associates.

SECTION 6 : PRODUCT INFORMATION

SINGAPORE MOBILE (PRODUCT VIEW)

	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
Mobile Communications revenue (S\$'M) ⁽¹⁾	531	530	523	1,060	1,041	1.9
Number of mobile subscribers (000s)						
Prepaid	1,796	1,803	1,830	1,796	1,830	-1.9
Postpaid	2,298	2,279	2,238	2,298	2,238	2.7
Total	4,094	4,082	4,068	4,094	4,068	0.6
Number of 4G mobile subscribers (000s)	2,083	2,007	1,481	2,083	1,481	40.6
MOUs per subscriber per month ⁽²⁾						
Prepaid	290	295	317	292	317	-7.7
Postpaid ⁽³⁾	255	256	274	256	274	-6.5
Average revenue per subscriber per month ^{(2) (4)} (S\$ per month)						
Prepaid	18	18	17	18	17	6.5
Postpaid	73	74	75	73	75	-2.8
Blended	49	49	49	49	49	-0.6
Data services as % of ARPU						
- total data ⁽⁵⁾	50%	48%	47%	49%	46%	
- non-SMS data	39%	38%	35%	39%	34%	
Tiered data plans						
- postpaid base on tiered data plans ⁽⁶⁾	63%	62%	57%	63%	57%	
- tiered data plan customers exceeding data bundles	25%	22%	19%	25%	19%	
Acquisition cost per postpaid subscriber (S\$) ⁽⁷⁾	402	435	405	419	390	7.5
Postpaid external churn per month ⁽⁸⁾	0.8%	0.9%	0.8%	0.8%	0.8%	
Singapore mobile penetration rate ⁽⁹⁾	149%	149%	149%	149%	149%	
Market share ⁽⁹⁾						
Prepaid	53.4%	53.6%	52.1%	53.4%	52.1%	
Postpaid	47.9%	47.9%	48.2%	47.9%	48.2%	
Overall	50.2%	50.2%	49.9%	50.2%	49.9%	

Notes:

- (1) This comprises cellular service revenue in Singapore only and is determined net of bill rebates and prepaid sales discount, and includes revenue earned from ADSL bundles. It excludes revenue earned from international calls classified under "International Telephone" revenue.
- (2) Based on average number of subscribers, calculated as the simple average of opening and closing number of subscribers.
- (3) MOU of postpaid base excludes customers that have 'data-only' SIM plans.
- (4) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.
- (5) Includes revenue from SMS, *SEND, MMS and other data services.
- (6) If excluding data-only SIMs, approximately 76% of postpaid customers as at 30 September 2015 were on tiered plans. Of these customers, 25% had exceeded their data bundles.
- (7) This relates to blended acquisition and retention cost per postpaid customer.
- (8) Calculated by expressing the number of postpaid subscribers who deactivate or disconnect their service (both voluntary and the Company's initiated churn) as a percentage of average number of subscribers.
- (9) The market share data as at 30 September 2015 was based on Telco operators' published results. The other market statistics were based on IDA's latest available published statistics as of 31 August 2015.

SECTION 6 : PRODUCT INFORMATION**AUSTRALIA MOBILE (PRODUCT VIEW)**

	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
Optus' mobile revenue (A\$'M) ⁽¹⁾	1,544	1,533	1,393	3,077	2,717	13.3
Optus' mobile service revenue (A\$'M)	1,221	1,208	1,182	2,429	2,329	4.3
Number of mobile subscribers (000s)						
Prepaid Handset	3,603	3,648	3,639	3,603	3,639	-1.0
Postpaid Handset	4,714	4,657	4,511	4,714	4,511	4.5
Mobile Broadband ⁽²⁾	1,042	1,074	1,253	1,042	1,253	-16.8
Total	9,359	9,379	9,403	9,359	9,403	-0.5
Number of 4G mobile subscribers (000s) ⁽³⁾	4,131	3,817	2,747	4,131	2,747	50.4
Mobile penetration rate ⁽⁴⁾	ND	135%	ND	ND	ND	
MOUs per subscriber per month ⁽⁵⁾						
Prepaid	132	120	130	126	127	-0.7
Postpaid	243	231	213	237	213	11.0
ARPU per month (A\$) ⁽⁶⁾						
Prepaid Handset	29	28	27	28	26	7.5
Postpaid Handset	59	59	60	59	59	-0.1
Mobile Broadband ⁽²⁾	24	23	21	23	21	13.1
Blended	43	43	42	43	41	4.5
Data revenue as a % of service revenue						
- total data	69%	69%	66%	69%	66%	
- non-SMS data	47%	47%	41%	47%	42%	
Tiered data plans						
- postpaid base on tiered data plans ⁽⁷⁾	85%	78%	55%	85%	55%	
- tiered data plan customers exceeding data bundles	25%	29%	34%	26%	34%	
Market share - total ⁽⁴⁾	ND	30%	ND	ND	ND	
Retail postpaid churn rate per month ⁽⁸⁾	1.3%	1.4%	1.3%	1.4%	1.3%	

ND denotes not disclosed.

Notes:

- (1) This comprises mobile service revenue (both outgoing and incoming) and sales of equipment in Australia, covering Australia Consumer as well as Australia Enterprise.
- (2) Defined as data-only SIMs and include customers on both prepaid and postpaid plans. Postpaid plans incur a monthly subscription fee.
- (3) Defined as 4G handsets on the Optus network.
- (4) Penetration and subscriber market share are estimated by Optus based on published data.
- (5) Based on average number of customers, calculated as the simple average of opening and closing number of customers. MOU includes outgoing minutes only. This calculation is based on customers with voice plan only – i.e. it excludes customers with only mobile broadband.
- (6) Based on average number of customers, calculated as the simple average of opening and closing number of customers. Excludes equipment revenue.
- (7) Defined as a percentage of Consumer Branded customers which excludes Virgin Mobile (which does not offer tiered data plans) and wholesale customers.
- (8) Churn calculation includes subscriber churn from Optus, Virgin Mobile and other Optus subsidiaries' subscribers but excludes customers transferring from postpaid to prepaid.

SECTION 6 : PRODUCT INFORMATION**Singtel TV ⁽¹⁾ (PRODUCT VIEW)**

	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
Singtel TV revenue (S\$'M) ⁽²⁾	58	60	63	117	126	-6.7
Average revenue per customer per month (S\$ per month) ⁽²⁾	39	40	41	39	41	-4.9
Number of residential TV customers (000s)	423	422	419	423	419	1.0

Notes:

- (1) With effect from 21 January 2015, mio TV has been renamed as Singtel TV.
- (2) Excluding 2014 FIFA World Cup revenue, Singtel TV revenue would be S\$53 million for the corresponding quarter and S\$106 million for the half year ended 30 September 2014. ARPU would be S\$38 for both the corresponding periods.

SINGAPORE CONSUMER HOME

	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
Singapore Consumer home revenue (S\$'M) ⁽¹⁾⁽³⁾	132	132	134	264	267	-0.9
Average revenue per household per month (S\$ per month) ⁽²⁾⁽³⁾	61	61	61	61	61	0.8
Number of households on triple/quad play services (000s) ⁽⁴⁾	495	493	492	495	492	0.6

Notes:

- (1) This comprises fixed broadband, fixed voice and Singtel TV in the residential segment only and does not include mobile.
- (2) Based on average number of households, calculated as the simple average of opening and closing number of households.
- (3) Excluding 2014 FIFA World Cup revenue, Consumer home revenue would be S\$129 million for the corresponding quarter and S\$256 million for the half year ended 30 September 2014. ARPU would be S\$59 for both the corresponding quarter and half year ended 30 September 2014.
- (4) Total number of residential households who subscribed to 3 or 4 unique services comprising fixed broadband, Singtel TV, fixed voice and mobile.

SECTION 6 : PRODUCT INFORMATION

OTHER PRODUCTS

Singapore	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
<u>Internet</u>						
Number of fixed broadband lines (000s) ⁽¹⁾	592	591	582	592	582	1.7
Singapore fixed broadband penetration rate ⁽²⁾	107%	107%	109%	107%	109%	
Fixed broadband market share ⁽³⁾⁽⁴⁾	42.1%	42.2%	42.5%	42.1%	42.5%	
Number of fibre broadband lines (000s)	462	441	369	462	369	25.2
Fibre broadband market share ⁽⁴⁾	53%	54%	56%	53%	56%	
<u>International Telephone</u>						
International telephone outgoing minutes (m mins) (excl Malaysia)	793	821	886	1,614	1,762	-8.4
Average collection rate - net basis (S\$/ min) (excl Malaysia)	0.093	0.093	0.095	0.093	0.095	-2.1
<u>National Telephone</u>						
Fixed working lines (000s) ⁽⁵⁾						
Residential	830	837	858	830	858	-3.3
Business	732	731	742	732	742	-1.3
Total	1,562	1,568	1,600	1,562	1,600	-2.4
Singapore fixed line penetration rate ⁽⁶⁾	36.6%	36.6%	36.2%	36.6%	36.2%	
Singapore fixed working lines ('000s) ⁽⁶⁾	2,001	2,001	1,980	2,001	1,980	
Fixed line market share ⁽⁶⁾	78.0%	78.4%	80.8%	78.0%	80.8%	

Notes:

- (1) Include ADSL and fibre lines.
- (2) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IDA). The market penetration rate as at 30 September 2015 was based on IDA's latest available published statistics as of 31 August 2015.
- (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 2015 was based on management's estimates.
- (5) Fixed working lines refer to Direct Exchange Lines (DEL) and Home Digital Lines. Some lines are for connections of second set top box under ADSL bundles.
- (6) The market share data as at 30 September 2015 was based on management's estimates. The other market statistics as at 30 September 2015 were based on IDA's latest available published statistics as of 30 June 2015.

SECTION 6 : PRODUCT INFORMATION

Australia	Quarter			Half Year		YOY Chge %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014	
Enterprise Fixed						
Business voice minutes (m min)	1,349	1,304	1,315	2,653	2,568	3.3
Buildings connected at the end of the period ⁽¹⁾	18,273	18,242	18,194	18,273	18,194	0.4
Wholesale Fixed						
Wholesale domestic voice minutes (m min)	1,071	1,025	955	2,096	1,944	7.8
Mass Market Fixed						
On-net ARPU (A\$) ⁽²⁾						
Voice	36	36	41	36	41	-11.1
Broadband ⁽³⁾	53	54	52	53	52	2.0
Telephony customers ('000)						
HFC ⁽⁴⁾	467	474	466	467	466	0.2
ULL ⁽⁵⁾	469	478	491	469	491	-4.5
On-net	936	952	957	936	957	-2.2
Resale	21	21	24	21	24	-12.8
NBN	67	50	17	67	17	305.1
Off-net	89	71	41	89	41	116.2
<i>HFC bundling rate ⁽⁶⁾</i>	95%	93%	92%	95%	92%	
HFC penetration	33%	34%	33%	33%	33%	
Internet customers (000s)						
On-net						
HFC broadband	434	433	422	434	422	3.0
ULL broadband ⁽⁵⁾	506	518	534	506	534	-5.4
Business grade broadband	29	28	28	29	28	1.8
	968	979	984	968	984	-1.6
Off-net						
Resale	6	7	9	6	9	-24.9
NBN	72	54	19	72	19	280.9
Broadband subtotal	1,046	1,040	1,012	1,046	1,012	3.4
Dial-up	5	9	10	5	10	-56.2
Total Internet customers	1,051	1,049	1,022	1,051	1,022	2.8

Notes:

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

SECTION 7 : GLOSSARY

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

GROUP SUMMARY INCOME STATEMENTS

For The Second Quarter Ended 30 September 2015

	Quarter							YOY Chge %
	30 Sep							
	2015			2015		2015	2014	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	1,850	-	-	1,850	2,334	4,184	4,309	-2.9
Operating expenses	(1,290)	-	-	(1,290)	(1,644)	(2,934)	(3,011)	-2.6
Other income	560	-	-	560	690	1,250	1,298	-3.7
	18	-	-	18	22	39	36	10.4
EBITDA	578	-	-	578	712	1,290	1,334	-3.3
- EBITDA margin	31.2%	-	-	31.2%	30.5%	30.8%	30.9%	
Share of associates' pre-tax profits								
Regional mobile associates	-	632	-	632	-	632	629	0.5
Other associates	-	52	-	52	*	52	26	100.4
- ordinary operations	-	684	-	684	*	684	655	4.4
- exceptional items	-	22	-	22	-	22	(11)	nm
	-	706	-	706	*	706	644	9.7
EBITDA and share of associates' pre-tax profits	578	706	-	1,284	712	1,996	1,978	0.9
Depreciation & amortisation	(192)	-	-	(192)	(339)	(531)	(545)	-2.5
EBIT	385	706	-	1,092	373	1,465	1,433	2.2
Net finance expense								
- net interest expense	(34)	-	-	(34)	(43)	(77)	(63)	22.0
- other finance income	17	-	-	17	7	23	19	22.6
	(17)	-	-	(17)	(36)	(53)	(44)	21.7
Profit before EI and tax	368	706	-	1,074	337	1,412	1,389	1.6
Taxation								
- current and deferred taxes	(51)	-	-	(51)	(100)	(151)	(162)	-6.5
- share of taxes of associates	-	(233)	-	(233)	(3)	(236)	(210)	12.2
- withholding taxes ⁽¹⁾	-	-	(53)	(53)	-	(53)	(37)	42.5
	(51)	(233)	(53)	(336)	(104)	(440)	(409)	7.6
Profit after tax	317	474	(53)	738	234	972	980	-0.9
Minority interests	3	-	-	3	-	3	(2)	nm
Underlying net profit	320	474	(53)	741	234	974	979	-0.5
Exceptional items ("EI") (post-tax)	2	53	2	57	(1)	55	59	-6.9
Net profit	321	526	(50)	797	232	1,030	1,038	-0.8

Note:

- (1) These are withholding and dividend distribution taxes deducted at source when dividends are remitted by the overseas associates. For accounting purpose, the dividend income and related withholding and 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 in **Section 5**.

GROUP SUMMARY INCOME STATEMENTS
For The Half Year Ended 30 September 2015

	Half Year							YOY Chge %
	30 Sep							
	2015			2015		2015	2014	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	3,661	-	-	3,661	4,732	8,393	8,457	-0.8
Operating expenses	(2,546)	-	-	(2,546)	(3,396)	(5,942)	(5,933)	0.2
Other income	1,116	-	-	1,116	1,335	2,451	2,524	-2.9
	34	-	-	34	46	80	64	24.8
EBITDA	1,149	-	-	1,149	1,382	2,531	2,588	-2.2
- EBITDA margin	31.4%	-	-	31.4%	29.2%	30.2%	30.6%	
Share of associates' pre-tax profits								
Regional mobile associates	-	1,257	-	1,257	-	1,257	1,223	2.8
Other associates	-	92	-	92	*	93	54	71.0
- ordinary operations	-	1,349	-	1,349	*	1,350	1,277	5.7
- exceptional items	-	22	-	22	-	22	(11)	nm
	-	1,372	-	1,372	*	1,372	1,266	8.3
EBITDA and share of associates' pre-tax profits	1,149	1,372	-	2,521	1,382	3,903	3,854	1.3
Depreciation & amortisation	(380)	-	-	(380)	(687)	(1,067)	(1,078)	-1.0
EBIT	770	1,372	-	2,141	695	2,836	2,776	2.1
Net finance expense								
- net interest expense	(59)	-	-	(59)	(85)	(144)	(125)	14.8
- other finance income	10	-	-	10	23	33	30	10.0
	(49)	-	-	(49)	(62)	(111)	(95)	16.3
Profit before EI and tax	721	1,372	-	2,092	633	2,725	2,681	1.6
Taxation								
- current and deferred taxes	(105)	-	-	(105)	(190)	(295)	(305)	-3.4
- share of taxes of associates	-	(446)	-	(446)	(3)	(449)	(416)	8.0
- withholding taxes ⁽¹⁾	-	-	(115)	(115)	-	(115)	(98)	17.9
	(105)	(446)	(115)	(666)	(193)	(859)	(818)	4.9
Profit after tax	616	926	(115)	1,427	440	1,867	1,863	0.2
Minority interests	3	-	-	3	-	3	(3)	nm
Underlying net profit	619	926	(115)	1,430	440	1,870	1,860	0.5
EI (post-tax)	18	84	2	105	(3)	102	13	@
Net profit	637	1,010	(113)	1,534	437	1,971	1,873	5.3

Note:

- (1) These are withholding and dividend distribution taxes deducted at source when dividends are remitted by the overseas associates. For accounting purpose, the dividend income and related withholding and 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 in **Section 5**.

GROUP SUMMARY INCOME STATEMENTS
For The Second Quarter And Half Year Ended 30 September 2015

	Quarter	YOY		Half Year	YOY	
	30 Sep	Chge	Chge in constant currency ⁽¹⁾	30 Sep	Chge	Chge in constant currency ⁽¹⁾
	2015			2015		
	S\$ m	%	%	S\$ m	%	%
Operating revenue	4,184	-2.9	5.1	8,393	-0.8	6.7
Operating expenses	(2,934)	-2.6	5.5	(5,942)	0.2	7.8
	1,250	-3.7	4.1	2,451	-2.9	4.1
Other income	39	10.4	19.4	80	24.8	34.4
EBITDA	1,290	-3.3	4.5	2,531	-2.2	4.9
-EBITDA margin	30.8%			30.2%		
Share of associates' pre-tax profits						
- Telkomsel	299	21.1	28.4	548	16.8	23.7
- Airtel	153	-20.3	-27.0	321	-18.6	-20.4
- AIS	102	-0.1	-1.4	219	10.1	6.8
- Globe	78	1.3	-4.1	170	5.3	-0.4
Regional mobile associates	632	0.5	1.7	1,257	2.8	3.6
Other associates	52	100.4	100.4	93	71.0	71.0
- ordinary operations	684	4.4	5.6	1,350	5.7	6.4
- exceptional items	22	nm	nm	22	nm	nm
	706	9.7	10.7	1,372	8.3	9.0
EBITDA and share of associates' pre-tax profits	1,996	0.9	6.5	3,903	1.3	6.2
Depreciation & amortisation	(531)	-2.5	6.6	(1,067)	-1.0	7.4
EBIT	1,465	2.2	6.5	2,836	2.1	5.8
Net finance expense	(53)	21.7	33.6	(111)	16.3	25.1
Profit before EI and tax	1,412	1.6	5.6	2,725	1.6	5.1
Taxation	(440)	7.6	11.1	(859)	4.9	7.9
Profit after tax	972	-0.9	3.4	1,867	0.2	3.8
Minority interests	3	nm	nm	3	nm	nm
Underlying net profit	974	-0.5	3.8	1,870	0.5	4.2
EI (post-tax)	55	-6.9	-10.1	102	@	@
Net profit	1,030	-0.8	3.0	1,971	5.3	8.7

Note:

(1) Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 30 September 2014.

BUSINESS SEGMENTS

For The Second Quarter And Half Year Ended 30 September 2015

	Quarter	YOY		Half Year	YOY	
	30 Sep	Chge	Chge in constant currency ⁽¹⁾	30 Sep	Chge	Chge in constant currency ⁽¹⁾
	2015			2015		
	S\$ m	%	%	S\$ m	%	%
Operating revenue						
Group Consumer	2,535	-4.0	6.8	5,138	-1.1	9.0
Group Enterprise	1,538	-3.8	-0.2	3,041	-3.5	-0.2
Core Business	4,073	-3.9	4.2	8,179	-2.0	5.5
Group Digital Life	111	47.2	48.0	214	93.7	94.2
Corporate	-	nm	nm	-	-	-
Group	4,184	-2.9	5.1	8,393	-0.8	6.7
EBITDA						
Group Consumer	831	-1.8	9.1	1,635	-0.9	8.9
Group Enterprise	512	-6.4	-4.3	995	-5.3	-3.4
Core Business	1,343	-3.6	3.8	2,630	-2.6	4.1
Group Digital Life	(34)	-15.2	-16.7	(65)	-15.8	-16.6
Corporate	(19)	-0.5	-0.5	(34)	-5.3	-5.3
Group	1,290	-3.3	4.5	2,531	-2.2	4.9
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	468	-1.7	8.5	902	-0.8	8.3
Group Enterprise	362	-8.3	-7.0	696	-6.7	-5.5
Core Business	830	-4.7	1.5	1,598	-3.5	2.1
Group Digital Life	(51)	-18.9	-19.9	(98)	-10.3	-10.8
Corporate	(20)	7.4	7.4	(36)	-1.1	-1.1
Group	758	-3.9	3.0	1,464	-3.1	3.1
Group Enterprise (excluding fibre rollout and maintenance)						
Operating revenue	1,538	-1.4	2.3	3,041	-1.0	2.4
EBITDA	512	1.5	3.8	995	-0.1	2.0
EBIT	362	2.8	4.2	696	0.7	2.0

Note:

(1) Assuming constant exchange rates for the Australian Dollar from the corresponding periods ended 30 September 2014.

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	30 Sep 2015 (Unaudited) S\$ million	30 Jun 2015 (Unaudited) S\$ million	30 Sep 2014 (Unaudited) S\$ million
Current assets			
Cash and cash equivalents	733	1,390	524
Trade and other receivables	4,284	3,950	3,604
Inventories	322	276	243
Derivative financial instruments	52	28	21
	5,391	5,643	4,392
Non-current assets			
Property, plant and equipment	10,298	10,520	10,679
Intangible assets	13,168	11,875	11,993
Associates	300	282	254
Loan to an associate	1,611	1,611	1,331
Joint ventures	10,135	10,101	9,772
Available-for-sale investments	221	232	333
Deferred tax assets	770	794	775
Derivative financial instruments	983	592	374
Other non-current receivables	491	461	319
	37,975	36,467	35,828
Total assets	43,366	42,110	40,219
Current liabilities			
Trade and other payables	4,048	4,160	3,644
Advance billings	769	655	617
Current tax liabilities	383	492	259
Borrowings (unsecured)	-	-	130
Borrowings (secured)	94	26	63
Derivative financial instruments	4	2	3
Net deferred gain ⁽¹⁾	68	68	58
	5,366	5,402	4,773
Non-current liabilities			
Borrowings (unsecured)	10,460	8,406	8,687
Borrowings (secured)	248	248	176
Derivative financial instruments	238	295	352
Advance billings	282	265	285
Net deferred gain ⁽¹⁾	1,324	1,350	1,138
Deferred tax liabilities	591	511	559
Other non-current liabilities	296	279	322
	13,439	11,354	11,518
Total liabilities	18,805	16,756	16,292
Net assets	24,561	25,354	23,928
Share capital and reserves			
Share capital	2,634	2,634	2,634
Reserves	21,908	22,685	21,267
Equity attributable to shareholders of the Company	24,542	25,319	23,901
Minority interests and other reserve	20	35	27
Total equity	24,561	25,354	23,928

Note:

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

SINGAPORE CASH FLOW STATEMENT

For The Second Quarter And Half Year Ended 30 September 2015

	Quarter			Half Year		YOY Chge %
	30 Sep 2015 S\$ m	30 Sep 2014 S\$ m	30 Jun 2015 S\$ m	30 Sep 2015 S\$ m 2014 S\$ m		
Net cash inflow from operating activities						
Profit before exceptional items and tax	368	366	353	721	723	-0.3
Non-cash items	205	219	226	430	429	0.4
Operating cash flow before working capital changes	573	585	578	1,151	1,151	**
Changes in operating assets and liabilities	(185)	(32)	(148)	(333)	(71)	371.5
	388	553	430	818	1,081	-24.3
Cash paid to employees under performance share plans	(3)	(1)	*	(3)	(1)	121.4
Tax paid on operating activities	(89)	(73)	(1)	(90)	(71)	27.4
Operating cash flow	296	479	429	725	1,009	-28.1
Net cash outflow for investing activities						
Accrued capital expenditure	(137)	(129)	(77)	(213)	(186)	14.9
Changes in creditors' balances	(25)	(36)	(102)	(128)	(155)	-17.5
Cash capital expenditure	(162)	(165)	(179)	(341)	(340)	0.2
Net loan to STAI from Optus ⁽¹⁾	140	166	-	140	166	-15.7
Withholding tax paid on interest received on inter-company loans	(13)	(16)	-	(13)	(16)	-18.9
Payment for purchase of subsidiaries, net of cash acquired	(1,057)	(433)	-	(1,057)	(443)	138.5
Contribution from minority interests	11	-	-	11	-	nm
Investment in venture investments	(9)	(8)	(16)	(24)	(19)	26.0
Proceeds from disposal of venture investments	33	9	19	52	49	4.9
Proceeds from disposal of property, plant and equipment	5	3	*	5	4	25.6
Deferred proceeds/ proceeds from disposal of associates	12	-	-	12	-	nm
Others	2	(6)	17	19	7	187.9
	(1,038)	(451)	(158)	(1,196)	(593)	101.7
Net cash outflow for financing activities						
Net increase/ (decrease) in borrowings	1,574	1,317	(98)	1,476	362	308.4
Net interest paid on borrowings and swaps	(35)	(28)	(38)	(73)	(71)	2.8
Final dividends paid to shareholders	(1,705)	(1,594)	-	(1,705)	(1,594)	7.0
Purchase of performance shares	(4)	(13)	(15)	(19)	(20)	-4.6
Others	1	-	-	1	-	nm
	(169)	(318)	(151)	(319)	(1,323)	-75.9
Net (decrease)/ increase in cash balance from Singapore	(911)	(290)	120	(791)	(907)	-12.8
Net (decrease)/ increase in cash balance from Singapore	(911)	(290)	120	(791)	(907)	-12.8
Dividends received from associates	276	260	761	1,038	1,007	3.0
Withholding tax paid	(24)	(22)	(80)	(103)	(97)	6.7
Net dividends received from associates	253	239	682	934	910	2.6
Net (decrease)/ increase in cash and cash equivalents	(658)	(51)	802	144	3	@
Singtel cash and cash equivalents at beginning	1,252	471	453	453	418	8.3
Exchange effects on cash and cash equivalents	42	1	(3)	39	*	nm
Singtel cash and cash equivalents at end	636	421	1,252	636	421	50.9
Singapore free cash flow	134	314	250	384	669	-42.5
Free cash flow from associates' dividends	253	239	682	934	910	2.6
Cash capex to operating revenue	9%	9%	10%	9%	10%	

Note:

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

OPTUS CASH FLOW STATEMENT

For The Second Quarter And Half Year Ended 30 September 2015

	Quarter			Half Year		YOY Chge %
	30 Sep 2015 A\$ m	30 Sep 2014 A\$ m	30 Jun 2015 A\$ m	30 Sep 2015 2014 A\$ m A\$ m		
Net cash inflow from operating activities						
Profit before exceptional items and tax	334	328	283	617	596	3.6
Non-cash items	374	326	359	732	625	17.1
Operating cashflow before working capital changes	708	654	641	1,349	1,221	10.5
Changes in operating assets and liabilities	(175)	31	(219)	(394)	(51)	@
Tax paid	(154)	(186)	(65)	(220)	(227)	-3.2
Operating cash flow	379	499	357	736	943	-21.9
Net cash outflow from investing activities						
Accrued capital expenditure	(311)	(374)	(301)	(612)	(633)	-3.3
Changes in creditors' balances	2	13	(15)	(12)	(45)	-73.0
Cash capital expenditure	(308)	(361)	(316)	(624)	(678)	-8.0
Loan to STAI ⁽¹⁾	(133)	(143)	-	(133)	(143)	-6.7
Payment for purchase of spectrum	(44)	(652)	(26)	(70)	(720)	-90.3
Others	(9)	(7)	(30)	(38)	(17)	121.0
	(495)	(1,163)	(372)	(867)	(1,558)	-44.4
Net cash inflow from financing activities						
Net increase in borrowings	109	620	88	196	600	-67.3
Net interest paid on borrowings and swaps	(34)	(29)	(44)	(78)	(75)	4.6
Purchase of Singtel shares	(15)	(1)	-	(15)	(13)	16.0
Finance lease payments (exclude interest)	*	(2)	(1)	(1)	(3)	-67.7
	59	589	43	101	509	-80.1
Net (decrease)/ increase in cash balance from Optus	(57)	(75)	28	(29)	(107)	-73.0
Dividend received from associates	21	15	-	21	23	-11.3
Net (decrease)/ increase in cash and cash equivalents	(36)	(60)	28	(8)	(83)	-90.3
Optus cash and cash equivalents at beginning	133	152	105	105	175	-40.1
Optus cash and cash equivalents at end	97	92	133	97	92	5.3
Optus free cash flow	71	138	41	112	265	-57.7
Free cash flow from associates' dividends	21	15	-	21	23	-11.3
Cash capex to operating revenue	13%	17%	14%	14%	16%	

Note:

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

OPTUS FINANCIALS IN AUSTRALIAN DOLLARS

	Quarter		YOY Chge %	Half Year		YOY Chge %
	30 Sep			30 Sep		
	2015 A\$ m	2014 A\$ m		2015 A\$ m	2014 A\$ m	
Operating revenue	2,314	2,155	7.4	4,609	4,216	9.3
Operating expenses	(1,629)	(1,524)	6.9	(3,307)	(3,004)	10.1
Other income	21	22	-0.8	45	37	20.9
EBITDA - margin	706 30.5%	652 30.3%	8.3	1,346 29.2%	1,249 29.6%	7.8
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	706	652	8.3	1,346	1,249	7.8
Depreciation & amortisation	(336)	(306)	9.6	(669)	(612)	9.2
EBIT	370	345	7.0	677	637	6.4
Net finance expense	(35)	(18)	101.3	(60)	(41)	47.4
Profit before exceptional items and tax	334	328	2.0	617	596	3.6
Taxation	(103)	(98)	4.6	(188)	(179)	5.1
Underlying net profit	232	230	0.9	429	417	2.9
Exceptional items (post-tax)	(1)	-	nm	(3)	(24)	-87.4
Net profit	230	230	0.3	426	394	8.3

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

	As at		
	30 Sep 2015 A\$ m	30 Jun 2015 A\$ m	30 Sep 2014 A\$ m
Property, plant and equipment (net)	6,767	6,759	6,523
Gross debt			
Current debt	1	1	4
Non-current debt	3,313	3,016	2,909
Gross debt as reported in the statement of financial position	3,313	3,017	2,913
Related net hedging assets	(350)	(158)	(78)
	2,963	2,859	2,835
Less: Cash and bank balances	(97)	(133)	(92)
Net debt	2,866	2,726	2,743

BUSINESS SEGMENT INFORMATION FOR FY 2015

From 1 April 2015, certain businesses such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance of the business segments, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. The Group's overall results for the respective periods remained unchanged.

	Quarter			Quarter			Quarter			Quarter			Year		
	30 Jun			30 Sep			31 Dec			31 Mar			31 Mar		
	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2015 S\$ m	Change S\$ m	Change %	Restated 2015 S\$ m	Change S\$ m	Change %
Revenue															
Group Consumer	2,553	9	0.3	2,640	10	0.4	2,770	8	0.3	2,629	7	0.3	10,593	33	0.3
Group Enterprise	1,555	(1)	**	1,598	(1)	-0.1	1,559	(1)	**	1,606	(0.5)	**	6,318	(3)	**
Group Digital Life	35	(8)	-23.6	76	(9)	-11.8	98	(7)	-7.3	104	(6)	-6.0	313	(31)	-9.8
Corporate	5	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-
Group	4,148	-	-	4,309	-	-	4,427	-	-	4,339	-	-	17,223	-	-
EBITDA															
Group Consumer	804	(2)	-0.3	847	(3)	-0.3	796	(3)	-0.4	858	(4)	-0.5	3,304	(12)	-0.4
Group Enterprise	504	(6)	-1.1	547	(7)	-1.2	491	(6)	-1.1	497	(5)	-0.9	2,039	(23)	-1.1
Group Digital Life	(37)	8	-21.6	(40)	10	-24.7	(40)	9	-22.1	(62)	9	-14.9	(180)	36	-20.1
Corporate	(17)	(0.1)	0.6	(19)	(1)	3.6	(18)	(0.3)	1.7	(19)	(0.2)	1.1	(73)	(1)	1.8
Group	1,254	-	-	1,334	-	-	1,229	-	-	1,274	-	-	5,091	-	-
EBIT (exclude share of associates' pre-tax profits)															
Group Consumer	433	(5)	-1.2	476	(5)	-1.1	425	(5)	-1.2	481	(7)	-1.5	1,816	(23)	-1.3
Group Enterprise	352	(6)	-1.8	395	(8)	-2.0	338	(7)	-2.0	341	(6)	-1.8	1,426	(27)	-1.9
Group Digital Life	(46)	12	-25.2	(63)	14	-21.8	(57)	12	-21.6	(71)	14	-19.4	(237)	52	-21.7
Corporate	(18)	(0.1)	0.6	(19)	(1)	3.7	(18)	(0.4)	2.2	(20)	(0.4)	2.0	(75)	(2)	2.1
Group	722	-	-	789	-	-	688	-	-	731	-	-	2,929	-	-

Please refer to **SGX Appendix 7.2** announcement for the second quarter and half year ended 30 September 2015 for group segment information prepared on statutory basis.

CURRENCY RISK MANAGEMENT & OTHER MATTERS

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

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

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

Debt Currency Mix	As at		
	30 Sep 2015	30 Jun 2015	30 Sep 2014
SGD	70%	65%	64%
AUD	30%	35%	36%
Total	100%	100%	100%

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

CREDIT RATINGS

As at 30 Sep 2015	Singtel	Optus
Standard & Poor's	A+ (stable)	A (stable)
Moody's Investors Service	Aa3 (stable)	A1 (stable)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	Full Year
Derived weighted average exchange rate ⁽¹⁾ for:						
Operating revenue						
<u>SGD</u>						
FY2016	1.0446	1.0089			1.0267	
FY2015	1.1688	1.1574	1.1073	1.0664	1.1630	1.1234
Change (last corresponding period)	-10.6%	-12.8%			-11.7%	
Underlying net profit						
<u>SGD</u>						
FY2016	1.0445	1.0086			1.0252	
FY2015	1.1686	1.1563	1.1053	1.0640	1.1618	1.1206
Change (last corresponding period)	-10.6%	-12.8%			-11.8%	

Note:

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

1 Singapore Dollar buys:	Q1	Q2	Q3	Q4	H1	Full Year
<u>Rupiah</u>						
FY2016	9,804	10,000			9,910	
FY2015	9,259	9,434	9,434	9,434	9,352	9,395
Change (last corresponding period)	5.9%	6.0%			6.0%	
<u>Indian Rupee</u>						
FY2016	47.2	46.7			47.0	
FY2015	47.8	48.3	47.8	45.9	48.1	47.5
Change (last corresponding period)	-1.3%	-3.3%			-2.3%	
<u>Baht</u>						
FY2016	24.8	25.3			25.0	
FY2015	25.9	25.6	25.3	24.0	25.8	25.2
Change (last corresponding period)	-4.2%	-1.2%			-3.1%	
<u>Peso</u>						
FY2016	33.2	33.1			33.2	
FY2015	35.2	35.0	34.6	32.8	35.1	34.3
Change (last corresponding period)	-5.7%	-5.4%			-5.4%	

OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2016

- **Consolidated results and cash flow may be impacted by material exchange rate movements in the Australian Dollar and regional currencies.** The Group's outlook for the current financial year is based on the following average exchange rates during FY 2015:

Australian Dollar	AUD 1	SGD 1.1234
Indonesian Rupiah	SGD 1	IDR 9,395
Indian Rupee	SGD 1	INR 47.5
Thailand Baht	SGD 1	THB 25.2
Philippine Peso	SGD 1	PHP 34.3

- The outlook for the current financial year does not include the impact of the following:
 - Wholesale price changes for MTAS with effect from 1 January 2016, which are expected to reduce Optus' incoming mobile service revenue by approximately A\$200 million for the quarter and financial year ending 31 March 2016. This is not expected to have a material impact on Optus' EBITDA for the current financial year.
 - The effects of the acquisition of Trustwave, whose results, financial position and cash flows are not yet material to the Group.
- **Revenue from Core Business (comprises Group Consumer and Group Enterprise) to grow at mid single digit level and EBITDA to grow at low single digit level.**
- **Mobile Communications revenue from Singapore to grow at low single digit level.**
- **Mobile service revenue from Australia to grow at low single digit level.**
- **Group ICT revenue (comprises Managed Services and Business Solutions) to grow at mid single digit level.**
- **Revenue from Amobee Group to be S\$350-S\$400 million. Group Digital Life to record negative EBITDA of S\$150-S\$180 million.**
- **Excluding acquisitions, consolidated revenue of the Group to grow at mid single digit level and EBITDA to grow at low single digit level.**
- **Capital expenditure for the Group on an accrual basis is expected to approximate S\$3.0 billion, comprising approximately S\$1.9 billion for Australia and S\$1.1 billion for Singapore in FY 2016. This reflects the Group's multi-year investments in a new data centre in Singapore, continued strategic investments in mobile network, particularly in Australia, and expected increased spend in customer care and management systems.**
- **Capital expenditure for the Group on a cash basis is expected to approximate S\$2.3 billion, with credit terms in place.**

- Group free cash flow (excluding dividends from associates) to be approximately S\$1.5 billion.
- Ordinary dividends from regional mobile associates are expected to be approximately S\$1.1 billion.