



Singapore Telecommunications Limited And Subsidiary Companies

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 MARCH 2019

With effect from 1 April 2018, the Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and has applied them retrospectively. Accordingly, the comparatives have been restated to take into account adjustments relating to SFRS(I) 1, *First-time Adoption of SFRS(I)*, SFRS(I) 15, *Revenue from Contracts with Customers* and SFRS(I) 9, *Financial Instruments*. The financial statements for the year ended, and as at, 31 March 2019 are audited.

On 3 May 2019, Airtel launched a rights issue which will close on 17 May 2019 and is expected to complete in early June 2019. In view of regulatory restrictions in India, limited information on Airtel is provided in this document.

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

For all pages, "@" denotes more than +/- 500%, "*" denotes less than +/- S\$0.5 million or A\$0.5 million and "***" denotes less than +/- 0.05%, unless otherwise indicated.

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

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SECTION 1 : GROUP

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

- In constant currency terms¹, operating revenue was up 5.5% while EBITDA was stable, impacted by change in revenue mix, decline in legacy carriage services and ICT margin erosions mitigated by higher NBN migration revenue.
- With 7% depreciation in the Australian Dollar, operating revenue grew 1.9% while EBITDA fell 5.2%.
- The associates' post-tax profit contributions declined 17% mainly from Airtel.
- Underlying net profit fell 15%.
- With exceptional gains compared to exceptional losses in last corresponding quarter, net profit was stable and would have increased 2.2% in constant currency terms¹.
- Free cash flow grew a strong 40% mainly on higher operating receipts and lower capital expenditure.

FOR THE YEAR ENDED 31 MARCH 2019

- In constant currency terms¹, operating revenue was up 3.7% while EBITDA declined 3.9%.
- With 6% decline in the Australian Dollar, operating revenue was stable while EBITDA fell 7.1%.
- The associates' post-tax profit contributions declined 24% mainly from Airtel and Telkomsel on intense competition.
- Underlying net profit was down 21%.
- Exceptional items last year was boosted by S\$2.03 billion of gain on divestment of units in NetLink Trust. Consequently, net profit fell 44%.
- Free cash flow grew 1.2% on lower capital expenditure, partially offset by lower operating cash.

¹ Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2018.

SECTION 1 : GROUP

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue	4,342	4,262	1.9	17,372	17,268	0.6
<i>(exclude NBN migration revenues)</i>	4,252	4,244	0.2	17,191	17,068	0.7
EBITDA	1,166	1,230	-5.2	4,692	5,051	-7.1
<i>(exclude NBN migration revenues)</i>	1,077	1,213	-11.2	4,512	4,850	-7.0
- EBITDA margin	26.9%	28.9%		27.0%	29.2%	
Share of associates' pre-tax profits	419	519	-19.3	1,536	2,461	-37.6
EBITDA and share of associates' pre-tax profits	1,586	1,750	-9.4	6,228	7,511	-17.1
EBIT	1,025	1,188	-13.8	4,006	5,261	-23.9
<i>(exclude share of associates' pre-tax profits)</i>	605	669	-9.5	2,470	2,801	-11.8
Underlying net profit	697	821	-15.0	2,825	3,593	-21.4
<i>(exclude Airtel and BTL) ⁽¹⁾</i>	796	828	-3.9	2,996	3,510	-14.6
Exceptional items (post-tax)	76	(51)	nm	270	1,880	-85.7
Net profit	773	770	0.4	3,095	5,473	-43.5
<i>(exclude Airtel and BTL) ⁽¹⁾</i>	772	777	-0.6	3,060	5,401	-43.3
Free cash flow	1,120	800	40.0	3,650	3,606	1.2
Underlying earnings per share (S cents)	4.27	5.03	-15.1	17.31	22.01	-21.4
Basic earnings per share (S cents)	4.74	4.72	0.4	18.96	33.53	-43.5

	As at		
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	31 Mar 2018 S\$ m
	Total assets	48,915	48,750
Shareholders' funds	29,838	28,952	29,737
Net debt ⁽²⁾	9,883	9,754	9,877
Net debt gearing ratio ⁽³⁾	24.9%	25.2%	24.9%
Net debt to EBITDA and share of associates' pre-tax profits ⁽⁴⁾	1.59X	1.58X	1.32X
Interest cover:			
- EBITDA and share of associates' pre-tax profits/ net interest expense ⁽⁵⁾	16.2X	16.2X	20.1X

Notes:

- (1) The profits were adjusted to exclude the results of Airtel and its shareholder, Bharti Telecom Limited ("BTL").
- (2) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.
- (3) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
- (4) Net debt to EBITDA and share of associates' pre-tax profits is calculated on an annualised basis.
- (5) Net interest expense refers to interest expense less interest income.

SECTION 1 : GROUP**GROUP SUMMARY INCOME STATEMENT**
For The Fourth Quarter And Year Ended 31 March 2019

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue	4,342	4,262	1.9	17,372	17,268	0.6
Operating expenses	(3,238)	(3,089)	4.8	(12,905)	(12,476)	3.4
	1,104	1,172	-5.8	4,467	4,792	-6.8
Other income	63	58	7.4	225	259	-13.2
EBITDA	1,166	1,230	-5.2	4,692	5,051	-7.1
- EBITDA margin	26.9%	28.9%		27.0%	29.2%	
Share of associates' pre-tax profits	419	519	-19.3	1,536	2,461	-37.6
EBITDA and share of associates' pre-tax profits	1,586	1,750	-9.4	6,228	7,511	-17.1
Depreciation & amortisation	(561)	(562)	-0.1	(2,222)	(2,250)	-1.2
EBIT	1,025	1,188	-13.8	4,006	5,261	-23.9
Net finance expense						
- net interest expense	(99)	(93)	6.2	(385)	(374)	2.9
- other finance income	6	6	1.7	30	29	3.1
	(93)	(87)	6.6	(355)	(345)	2.9
Profit before exceptional items and tax	932	1,101	-15.4	3,651	4,917	-25.7
Taxation	(241)	(282)	-14.6	(850)	(1,344)	-36.8
Profit after tax	691	819	-15.6	2,801	3,572	-21.6
Minority interests	6	2	258.8	23	21	10.9
Underlying net profit	697	821	-15.0	2,825	3,593	-21.4
Exceptional items (post-tax)	76	(51)	nm	270	1,880	-85.7
Net profit	773	770	0.4	3,095	5,473	-43.5
Depreciation as % of operating revenue	11%	11%		11%	11%	

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

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 and Intouch in Thailand, Airtel in India, Africa and Sri Lanka, 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, Australia, U.S.A., Europe and the region, and focuses on growing the Group's position in the enterprise markets. Key services include mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT services and professional consulting.

Group Digital Life ("GDL") focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage. It focuses on three key businesses in digital life – digital marketing, regional premium OTT video and advanced analytics and intelligence capabilities, 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:

Based on post elimination basis	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue						
Group Consumer	2,436	2,380	2.4	9,819	9,711	1.1
Group Enterprise	1,632	1,677	-2.7	6,329	6,477	-2.3
Core Business	4,068	4,057	0.3	16,148	16,188	-0.2
Group Digital Life	274	205	33.4	1,224	1,080	13.3
Group	4,342	4,262	1.9	17,372	17,268	0.6
EBITDA						
Group Consumer	832	812	2.5	3,166	3,322	-4.7
Group Enterprise	379	449	-15.7	1,695	1,863	-9.0
Core Business	1,211	1,261	-4.0	4,862	5,186	-6.3
Group Digital Life	(18)	*	nm	(92)	(51)	78.8
Corporate	(27)	(30)	-11.6	(78)	(84)	-7.3
Group	1,166	1,230	-5.2	4,692	5,051	-7.1
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	451	416	8.5	1,622	1,751	-7.4
Group Enterprise	216	297	-27.2	1,080	1,256	-14.0
Core Business	667	713	-6.4	2,702	3,006	-10.1
Group Digital Life	(35)	(14)	156.3	(152)	(120)	26.2
Corporate	(28)	(31)	-10.4	(81)	(85)	-5.5
Group	605	669	-9.5	2,470	2,801	-11.8

SECTION 1 : GROUP

FINAL DIVIDEND

The Directors have proposed a final ordinary dividend of 10.7 cents per share (FY2018: 10.7 cents per share), totalling approximately S\$1.75 billion in respect of the current financial year ended 31 March 2019.

Together with the interim dividend of 6.8 cents per share amounting to S\$1.11 billion paid in the quarter, the total amount of ordinary dividends in respect of the current financial year ended 31 March 2019 would be 17.5 cents per share (FY2018: 17.5 cents per share), totalling approximately S\$2.86 billion. This represented a payout ratio of 101% of underlying net profit.

REVIEW OF GROUP OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2019

The Group's results for the quarter were adversely impacted by a weak Australian Dollar which has depreciated 7% from the last corresponding quarter.

Operating revenue grew 1.9% and would have grown 5.5% in constant currency terms with increases in equipment sales, NBN migration revenues and digital services partially offset by lower mobile service and voice. EBITDA declined 5.2% but would have been stable in constant currency terms.

Group Consumer contributed 56% (Q4 FY2018: 56%) and 71% (Q4 FY2018: 66%) to the Group's operating revenue and EBITDA respectively. Operating revenue for Singapore Consumer rose 1.1% driven mainly by higher equipment sales partially offset by lower voice. EBITDA grew 5.2% on strong cost control. In Australia, with the resumption of NBN migrations following the lifting of the temporary suspension on NBN's HFC network, operating revenue and EBITDA at Australia Consumer were up strongly by 10% and 9.7% respectively. Excluding NBN migration revenues, operating revenue increased 6.2% on higher equipment sales and handset leasing while EBITDA was down 2.3% on heightened competition.

Group Enterprise contributed 38% (Q4 FY2018: 39%) and 32% (Q4 FY2018: 36%) to the Group's operating revenue and EBITDA respectively. Operating revenue declined 2.7%. The decrease was mainly due to lower revenue at Optus Business on double-digit decline in fixed voice and significant slowdown in customer spending especially in the government and financial sectors. ICT revenue grew 3.6% led by Cyber security, Smart cities and Cloud. Cyber security revenue continued its momentum and grew 11% with strong growth in Asia Pacific. EBITDA declined 16% amid a cautious business environment on lower legacy carrier services, lower prices on renewal of some major public sector ICT contracts in Singapore as well as higher ICT mix.

GDL contributed 6% (Q4 FY2018: 5%) to the Group's operating revenue. Operating revenue for the quarter increased a robust 33% from growth in Amobee's programmatic platform business, contributions from Videology assets acquired in August 2018 and first time recognition of technology licencing fees from ITV plc. However, negative EBITDA increased as the last corresponding quarter included some one-off content cost credits from contract re-negotiations as well as government grants.

SECTION 1 : GROUP

Depreciation and amortisation charges were stable but would have increased 4.5% in constant currency terms due mainly to higher investments in network, spectrum and project related capital spending.

EBIT (before share of results of associates) fell 9.5% to S\$605 million.

The associates' post-tax underlying profit contributions fell 17%. If the regional currencies had remained stable, the associates' post-tax underlying profit contributions would have declined by 19% mainly from Airtel on intense competition in India.

Excluding Airtel, the combined mobile customer base of the Group and its regional associates reached 308 million as at 31 March 2019, up 15 million or 5.3% from a quarter ago.

Net finance expense increased 6.6% due mainly to higher interest expense from increases in average borrowings and interest rates.

The Group's tax expense fell 15% on decline in earnings and dividend withholding taxes.

Consequently, underlying net profit declined by 15% (14% in constant currency terms).

A net exceptional gain of S\$76 million was recorded this quarter, compared to a net exceptional loss of S\$51 million in the last corresponding quarter. The net exceptional gain comprised mainly of the share of Airtel's exceptional gains predominantly from the write-back of accruals on re-assessment of levies, partially offset by the share of SingPost's impairment charges.

Net profit was stable after including exceptional items. In constant currency terms, net profit would have increased 2.2%.

Free cash flow in the quarter was S\$1.12 billion, up 40% from the last corresponding quarter mainly on higher operating receipts especially from ICT projects and NBN migrations, and lower capital expenditure.

The Group continued to maintain a healthy capital structure. As at 31 March 2019, net debt gearing ratio was stable at 24.9% from a quarter ago.

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 three-quarters of both the Group's proportionate revenue and EBITDA.

SECTION 1 : GROUP

For The Year Ended 31 March 2019

The Group generally performed in line with the guidance issued during the financial year.

The depreciation in the Australian Dollar and the Indonesian Rupiah against the Singapore Dollar have adversely impacted the Group's results.

Operating revenue for the Group was stable while EBITDA declined 7.1%. In constant currency terms, operating revenue was up 3.7% while EBITDA fell 3.9%.

Operating revenue for Singapore Consumer was stable as the higher equipment sales was mitigated by lower fixed voice and mobile service revenues. With lower service revenue, EBITDA decreased 2.3%. In Australia, operating revenue grew 7.4% with higher equipment sales and handset leasing. EBITDA was stable and would have increased 2.6% if NBN migration revenues and dispute settlement last year were excluded.

Group Enterprise's operating revenue declined 2.3% mainly due to declines in legacy services especially voice and price erosion. In constant currency terms, operating revenue was stable. EBITDA declined 9.0% from lower legacy carriage services, ICT margin erosion as well as investments in digitalisation programmes.

Operating revenue for GDL grew 13%, mainly contributed by Amobee and HOOQ. Amobee's revenue was boosted by contribution from Videology and growth in programmatic platform business partially moderated by the decline in the media business. HOOQ's revenue more than doubled from last year as it continued to add subscribers and gained scale. Negative EBITDA increased due mainly to lower revenue from higher-margin media business and inclusion of Videology's losses.

With lower associates' underlying profit contributions of 24% mainly from weaker operational performance at Airtel and Telkomsel, underlying net profit fell 21% to S\$2.83 billion. In constant currency terms, underlying net profit would have been down 19%.

Net profit fell 44% to S\$3.10 billion on lower exceptional gains, as a significant gain on sale of units in NetLink Trust was recorded last year.

Free cash flow grew 1.2% to S\$3.65 billion due mainly to lower capital expenditure, partially offset by lower operating cash on weaker operational performance, higher cash taxes and lower associates' dividends.

SECTION 1 : GROUP**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	
Operating revenue	4,342	4,626	-6.1
EBITDA - margin	1,166 26.9%	1,190 25.7%	-2.0
Share of associates' post-tax profits	331	291	13.7
Underlying net profit	697	680	2.6
Exceptional items (post-tax)	76	143	-47.0
Net profit	773	823	-6.1
Free cash flow	1,120	387	189.2

Operating revenue declined 6.1% from the preceding quarter on seasonal declines in equipment sales and digital services partly offset by higher ICT and NBN migration revenues. Consequently, EBITDA declined 2.0%.

Including higher associates' earnings mainly from Globe, underlying net profit grew 2.6%.

The increase in free cash flow was mainly due to higher operating receipts.

EFFECTS OF NEW AND REVISED ACCOUNTING STANDARDS

The new and revised accounting standards effective from 1 April 2019 are not expected to have a significant impact on the financial statements of the Group in the next financial year ending 31 March 2020 except for Singapore Financial Reporting Standard (International) ("**SFRS(I)**") 16, *Leases*. The Group is still in the process of quantifying the impact of SFRS(I) 16 on the financial statements. See **Appendix 6** for more details.

SECTION 1 : GROUP**OUTLOOK FOR THE NEXT FINANCIAL YEAR ENDING 31 MARCH 2020****Macro-economic environment and currency**

The guidance for FY2020 is based on the following economic growth projections and average exchange rates for the financial year ended 31 March 2019:

GDP growth²	2019
Singapore	1.5% to 3.5%
Australia	2.75%
United States	2.5%
India	7.5%
Indonesia	5.2%
Philippines	6.5%
Thailand	3.8%
Airtel's key countries in Africa	2% to 7%

Average exchange rates		FY2019
Australian Dollar	AUD 1	SGD 0.9898
United States Dollar	USD 1	SGD 1.3580
Indonesian Rupiah	SGD 1	IDR 10,526
Indian Rupee	SGD 1	INR 51.5
Thailand Baht	SGD 1	THB 23.8
Philippine Peso	SGD 1	PHP 38.9

Strategic Focus

Singtel is focused on creating sustainable shareholder value through strategic transformation of its core business and growth in its global digital businesses.

Strengthening the core

The Group continues to invest in networks, spectrum, technology and content to create sustainable competitive advantages. In Australia, Optus gained market share in mobile and is set to enhance its market position through network and product differentiation, including the recent introduction of fixed wireless services on 5G. In Singapore, the Group will consolidate its leadership position through continued innovation in product, content and services.

The Group continues to drive digitalisation and automation to improve customer experience and achieve a leaner cost structure. For FY2020, the Group expects these initiatives to deliver cost savings and avoidance of around S\$490 million.

² Singapore's GDP is based on Ministry of Trade and Industry (February 2019). Australia's GDP is based on Reserve Bank of Australia (May 2019) and the rest are based on World Bank (January 2019). The GDP growth for Australia is based on fiscal year ending June 2020 and for United States is based on fiscal year ending September 2019.

SECTION 1 : GROUP

Focus on Digital

The Group is well-positioned in the digital space as a key enabler of smart cities and digital enterprises. Trustwave, the Group's global cyber security unit, is a leading global managed security services provider and will continue to leverage rising opportunities in cyber security. As a leading ICT services provider in Asia Pacific, NCS will continue to progress its digital capabilities and expand its footprint across the region.

Group Digital Life is focused on increasing scale and profitability in digital marketing, data analytics and premium video services. Amobee is expected to accelerate its growth in programmatic advertising, led by the convergence of TV and digital marketing, while HOOQ targets to grow its customer base by expanding its distribution and content.

The Group is harnessing its scale to build digital ecosystems in payments, gaming and esports and create future revenue streams.

Outlook

The following outlook is based on the Group's structure and accounting standards as at 31 March 2019.

Group³

- Consolidated revenue⁴ for the Group is expected to grow by mid single digit and consolidated EBITDA⁴ to be stable.
- Capital expenditure is expected to approximate S\$2.2 billion, comprising A\$1.4 billion for Optus and S\$0.8 billion for the rest of the Group.
- Free cash flow, excluding spectrum payments and dividends from associates, is projected to be around S\$2.1 billion.
- Dividends from the regional associates are expected to be approximately S\$1.2 billion, reflecting Telkomsel's lower earnings for its financial year ended 31 December 2018.

ICT and digital businesses

- Revenue from ICT services is expected to grow by low single digit.
- Cyber security revenue is projected to increase by low teens.
- Amobee operating revenue⁵ is expected to grow by high single digit and its EBITDA to improve.

Dividend Policy

Singtel is committed to delivering dividends that increase over time with growth in underlying earnings, while maintaining an optimal capital structure and investment grade credit ratings.

Barring unforeseen circumstances, it expects to maintain its ordinary dividends at 17.5 cents per share for the next financial year ending 31 March 2020.

³ Excluding acquisitions.

⁴ Excluding the impact of NBN migration revenues in Australia for FY2019 and FY2020.

⁵ Including intra-group revenue.

SECTION 1 : GROUP

OPERATING REVENUE

By Products and Services	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Mobile service (includes international call revenue)	1,312	1,398	-6.2	5,396	5,737	-6.0
Sale of equipment	711	627	13.3	2,877	2,415	19.1
Leasing	45	13	257.1	141	25	457.5
Mobile	2,067	2,038	1.5	8,413	8,177	2.9
Data and Internet (includes NBN migration revenues)	868	834	4.1	3,341	3,436	-2.8
<i>Cyber security</i>	160	144	10.9	549	527	4.1
<i>Other services</i>	510	508	0.5	1,881	1,920	-2.0
Managed services	670	652	2.8	2,430	2,447	-0.7
Business solutions	169	158	6.9	604	561	7.7
Infocomm Technology ("ICT")	839	810	3.6	3,034	3,008	0.9
Digital businesses ⁽¹⁾	278	214	29.8	1,245	1,113	11.9
Fixed voice	192	256	-25.2	899	1,084	-17.1
Pay television	81	88	-8.6	373	369	0.9
Others	18	22	-19.0	67	81	-16.6
Total	4,342	4,262	1.9	17,372	17,268	0.6
Operating revenue	4,342	4,262	1.9	17,372	17,268	0.6
Associates' proportionate revenue ⁽²⁾	3,314	3,297	0.5	13,276	13,808	-3.9
Group's proportionate revenue	7,656	7,559	1.3	30,648	31,076	-1.4

Notes:

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

(2) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by Singtel's effective ownership interest.

Operating Revenue Mix	Quarter		Year	
	31 Mar		31 Mar	
	2019 %	2018 %	2019 %	2018 %
Mobile service (includes international call revenue)	30.2	32.8	31.1	33.2
Sale of equipment	16.4	14.7	16.6	14.0
Leasing	1.0	0.3	0.8	0.1
Mobile	47.6	47.8	48.4	47.4
Data and Internet (includes NBN migration revenues)	20.0	19.6	19.2	19.9
<i>Cyber security</i>	3.7	3.4	3.2	3.1
<i>Other services</i>	11.8	11.9	10.8	11.1
Managed services	15.4	15.3	14.0	14.2
Business solutions	3.9	3.7	3.5	3.2
ICT	19.3	19.0	17.5	17.4
Digital businesses	6.4	5.0	7.2	6.4
Fixed voice	4.4	6.0	5.2	6.3
Pay television	1.9	2.1	2.1	2.1
Others	0.4	0.5	0.4	0.5
Total	100.0	100.0	100.0	100.0

SECTION 1 : GROUP

Operating revenue grew 1.9% and would have increased 5.5% in constant currency terms.

ICT and digital businesses, as well as equipment sales, which have lower margins, contributed 26% and 16% of the Group's revenue respectively. The contributions were at 24% and 15% respectively in March quarter last year.

With higher equipment sales revenue, total Mobile revenue grew 1.5% (6.8% in constant currency terms) from the last corresponding quarter. Mobile service revenue, however, declined 6.2% (1.3% in constant currency terms) due mainly to intense data price competition and lower voice usage.

Data and Internet revenue grew 4.1% (8.5% in constant currency terms) from higher NBN migration revenues, partly offset by price erosion.

Revenue from ICT grew 3.6% (4.7% in constant currency terms) on strong project related equipment sales this quarter. Cyber security revenue continued its momentum and grew 11% with strong growth in Asia Pacific.

Revenue from Digital businesses grew strongly by 30% mainly from Amobee and HOOQ.

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

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales ⁽¹⁾	1,522	1,305	16.6	5,870	5,163	13.7
Staff costs	622	679	-8.5	2,597	2,760	-5.9
Selling & administrative	601	603	-0.3	2,473	2,537	-2.5
Traffic expenses	387	406	-4.8	1,573	1,616	-2.6
Repair & maintenance	101	84	20.1	388	368	5.5
Others	6	12	-54.9	3	33	-90.5
Total	3,238	3,089	4.8	12,905	12,476	3.4
Direct costs ⁽²⁾	2,078	1,856	12.0	8,085	7,405	9.2
Other operating expenses	1,160	1,234	-6.0	4,820	5,071	-4.9
Total	3,238	3,089	4.8	12,905	12,476	3.4

As a percentage of operating revenue	Quarter		Year	
	31 Mar		31 Mar	
	2019 %	2018 %	2019 %	2018 %
Cost of sales ⁽¹⁾	35.1%	30.6%	33.8%	29.9%
Staff costs	14.3%	15.9%	15.0%	16.0%
Selling & administrative	13.8%	14.1%	14.2%	14.7%
Traffic expenses	8.9%	9.5%	9.1%	9.4%
Repair & maintenance	2.3%	2.0%	2.2%	2.1%
Others	0.1%	0.3%	**	0.2%
Total	74.5%	72.4%	74.3%	72.3%
Direct costs ⁽²⁾	47.9%	43.5%	46.5%	42.9%
Other operating expenses	26.7%	28.9%	27.7%	29.4%
Total	74.5%	72.4%	74.3%	72.3%

Notes:

- (1) Cost of sales include cost of goods sold and service costs such as costs of content and programming.
(2) Comprise mainly cost of sales, traffic expenses, staff costs and selling & administrative expenses directly attributable to revenue earned from sale of equipment and services rendered.

Total operating expenses increased 4.8% and would have increased 8.2% in constant currency terms mainly attributable to higher direct costs. Other operating expenses, however, declined 6.0% on strong cost control.

The increase in Cost of Sales was mainly due to higher ICT, equipment sales and digital business revenues.

SECTION 1 : GROUP**STAFF COSTS**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$m	2019 S\$ m	2018 S\$m		
Staff costs						
Optus	203	272	-25.4	951	1,121	-15.2
Singtel and other subsidiaries	373	366	1.8	1,441	1,457	-1.1
Amobee (including Videology)	575	638	-9.8	2,392	2,578	-7.2
	46	41	12.1	205	183	12.3
Group	622	679	-8.5	2,597	2,760	-5.9

	Quarter			YOY Chge %	Year		YOY Chge %
	31 Mar	31 Dec	31 Mar		31 Mar	31 Mar	
	2019	2018	2018	2019	2018		
Average number of staff							
Optus	7,326	7,338	8,526	-14.1	7,675	8,445	-9.1
Singtel and other subsidiaries	15,160	15,235	16,211	-6.5	15,478	16,354	-5.4
Amobee (including Videology)	22,486	22,573	24,737	-9.1	23,153	24,799	-6.6
	938	969	834	12.5	918	815	12.6
Group ⁽¹⁾	23,424	23,542	25,571	-8.4	24,071	25,614	-6.0
Headcount as at end of period							
Optus	7,297	7,322	8,515	-14.3	7,297	8,515	-14.3
Singtel and other subsidiaries	15,111	15,163	16,116	-6.2	15,111	16,116	-6.2
Amobee (including Videology)	22,408	22,485	24,631	-9.0	22,408	24,631	-9.0
	918	960	837	9.7	918	837	9.7
Group ⁽¹⁾	23,326	23,445	25,468	-8.4	23,326	25,468	-8.4

Note:

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

Staff costs declined 8.5% and would have declined 6.6% in constant currency terms due to lower headcount.

As at 31 March 2019, Group headcount was 23,326, down 8.4% from a year ago on staff restructurings.

SECTION 1 : GROUP**NET FINANCE EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Net interest expense						
- Interest expense	(101)	(95)	6.8	(390)	(383)	1.8
- Interest income	3	3	-7.4	8	8	**
	(99)	(92)	7.2	(381)	(374)	1.9
- Net interest (expense)/ income NetLink Trust ⁽¹⁾	*	(1)	nm	(3)	1	nm
	(99)	(93)	6.2	(385)	(374)	2.9
Other finance income						
- Dividend income from Southern Cross	-	3	nm	13	30	-57.1
- Investment income ⁽²⁾	*	*	nm	1	2	-78.3
- Other foreign exchange (loss)/ gain	(2)	(3)	-42.9	6	(11)	nm
- Net fair value gain ⁽³⁾	8	6	36.4	10	7	40.5
	6	6	1.7	30	29	3.1
Net finance expense	(93)	(87)	6.6	(355)	(345)	2.9

Notes:

- (1) Comprise interest earned on the unitholder's loan to NetLink Trust (fully repaid in July 2017), net of the finance lease expenses on the exchange buildings leased from NetLink Trust.
- (2) Comprise mainly dividend income from Fair Value through Other Comprehensive Income investments.
- (3) Comprise mainly adjustments for hedging instruments and other financial instruments including options measured at fair values under SFRS(I) 9, *Financial Instruments*.

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

Interest expense grew 6.8% on increases in both average borrowings and interest rates.

SECTION 1 : GROUP**EXCEPTIONAL ITEMS (POST-TAX) ⁽¹⁾**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Gain on sale of a subsidiary	3	-	nm	19	-	nm
Staff restructuring costs	(4)	(6)	-35.6	(88)	(58)	53.2
Gain on sale and finance leaseback	-	-	-	42	-	nm
Disputes settlement	-	-	-	-	55	nm
Gain on disposal of joint ventures	-	-	-	*	7	nm
Provision for contingent claims and other charges	*	-	nm	(11)	(57)	-81.1
Impairment of acquired intangibles	-	-	-	-	(77)	nm
Impairment of venture investments	-	-	-	-	(5)	nm
(Adjustment to)/ gain on disposal of units in NetLink Trust	-	(22)	nm	-	2,031	nm
Gain on sale of property	-	-	-	106	-	nm
Group exceptional items	(2)	(28)	-94.3	68	1,895	-96.4
Share of Airtel's one-off items	156	(23)	nm	285	(41)	nm
Share of SingPost's one-off items	(24)	-	nm	(20)	-	nm
Share of Intouch's impairment charges	-	-	-	(11)	(6)	90.9
Share of Globe's impairment charges	-	-	-	-	(4)	nm
Share of associates' exceptional items	132	(23)	nm	254	(50)	nm
Group net exceptional gains/ (losses) (pre-tax)	130	(51)	nm	323	1,845	-82.5
Exceptional tax						
Share of tax on associates' exceptional items	(55)	23	nm	(74)	31	nm
Other tax (expense)/ credit on exceptional items	*	(23)	nm	21	3	@
	(54)	*	nm	(53)	35	nm
Group net exceptional gains/ (losses) (post-tax)	76	(51)	nm	270	1,880	-85.7

Note:

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

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

The exceptional gains in this quarter comprised mainly of the share of Airtel's net exceptional gains of S\$156 million⁶ predominantly from the write-back of accruals on re-assessment of levies partly offset by the share of SingPost's net exceptional loss of S\$24 million mainly from impairment charges of investments.

⁶ On a post-tax basis, equity share was S\$100 million.

SECTION 1 : GROUP**TAX EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Income tax expense						
Optus	98	95	3.4	305	342	-10.9
Singtel and other subsidiaries	39	30	30.4	217	186	16.8
Total (a)	137	125	9.8	522	528	-1.1
Share of associates' tax expense (b)	88	119	-25.6	153	638	-76.0
Withholding and dividend distribution taxes on associates' dividend income ⁽¹⁾	15	39	-60.3	174	178	-2.3
Total	241	282	-14.6	850	1,344	-36.8
Profit before exceptional items and tax	932	1,101	-15.4	3,651	4,917	-25.7
Exclude:						
Share of associates' pre-tax profits	(419)	(519)	-19.3	(1,536)	(2,461)	-37.6
Adjusted pre-tax profit (c)	513	582	-11.9	2,115	2,456	-13.9
Effective tax rate of Singtel and subsidiaries (a)/(c)	26.8%	21.5%		24.7%	21.5%	
Share of associates' pre-tax profits (d)	419	519	-19.3	1,536	2,461	-37.6
Effective tax rate of associates (b)/(d)	21.1%	22.9%		10.0%	25.9%	

Note:

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

The Group's tax expense decreased on reductions in both earnings and dividend withholding taxes. However, effective tax rate of Singtel and its subsidiaries was higher due mainly to write-back of tax provision no longer required in the last corresponding quarter.

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

	As at		
	31 Mar	31 Dec	31 Mar
	2019	2018	2018
	S\$ m	S\$ m	S\$ m
Current assets (excluding cash)	6,565	6,721	6,234
Cash and bank balances	513	637	525
Non-current assets	41,837	41,392	41,737
Total assets	48,915	48,750	48,496
Current liabilities	8,794	9,250	8,429
Non-current liabilities	10,311	10,571	10,355
Total liabilities	19,105	19,820	18,784
Net assets	29,810	28,930	29,712
Share capital	4,127	4,127	4,127
Retained earnings	27,513	26,740	27,269
Currency translation reserve (loss)	(1,768)	(1,819)	(1,284)
Other reserves	(35)	(97)	(376)
Equity attributable to shareholders	29,838	28,952	29,737
Minority interests and other reserve	(28)	(22)	(26)
	29,810	28,930	29,712

The Group continued to be in a strong financial position as at 31 March 2019. It is rated A1 by Moody's and A+ by S&P Global Ratings. Singtel's ratings continued to be strong among its peers in the global telecommunications industry.

SECTION 1 : GROUP**LIQUIDITY AND GEARING**

	As at		
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	31 Mar 2018 S\$ m
Gross debt			
Current debt	1,880	1,699	1,824
Non-current debt	8,784	8,941	8,668
Gross debt as reported in statement of financial position	10,664	10,641	10,491
Related net hedging asset ⁽¹⁾	(268)	(250)	(90)
Hedged gross debt	10,396	10,391	10,402
Less: Cash and bank balances	(513)	(637)	(525)
Net debt	9,883	9,754	9,877
Gross debt gearing ratio ⁽²⁾	25.9%	26.4%	25.9%
Net debt gearing ratio	24.9%	25.2%	24.9%

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.

As at 31 March 2019, both net debt and net debt gearing ratio remained stable from a quarter ago.

SECTION 1 : GROUP

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar 2019 S\$ m	31 Mar 2018 S\$ m	31 Dec 2018 S\$ m	31 Mar 2019 S\$ m	31 Mar 2018 S\$ m	
	Net cash inflow from operating activities					
Profit before exceptional items and tax	932	1,101	909	3,651	4,917	-25.7
Non-cash items	234	106	289	974	139	@
Operating cash flow before working capital changes	1,166	1,207	1,198	4,625	5,056	-8.5
Changes in operating assets and liabilities	504	195	(340)	(126)	(139)	-9.3
	1,669	1,402	859	4,498	4,916	-8.5
Cash paid to employees under performance share plans	-	*	-	*	(1)	nm
Tax paid on operating activities	(100)	(89)	(150)	(533)	(452)	17.8
Operating cash flow before dividends from associates	1,569	1,313	709	3,966	4,463	-11.1
Dividends/ Distributions received from associates	41	96	99	1,549	1,648	-6.0
Withholding tax paid on dividends received	(6)	(6)	(6)	(147)	(156)	-5.6
	1,605	1,403	802	5,368	5,955	-9.9
Net cash outflow from investing activities						
<i>Accrued capital expenditure</i>	(672)	(952)	(448)	(1,905)	(2,437)	-21.8
<i>Changes in creditors' balances</i>	187	348	34	187	88	112.4
Cash capital expenditure	(485)	(603)	(414)	(1,718)	(2,349)	-26.9
Investment in associates	(1)	(539)	(1)	(2)	(541)	-99.6
Proceeds/ Deferred proceeds from disposal of associates	2	7	9	15	1,146	-98.7
Proceeds from disposal of a subsidiary	15	-	*	15	-	nm
Loan repaid by an associate	-	-	-	-	1,101	nm
Payment for purchase of spectrum	-	-	-	(37)	(937)	-96.0
Payment for purchase of other intangibles	(82)	(33)	(38)	(179)	(188)	-4.4
Payment for acquisition of intangibles and other assets	-	-	-	(123)	-	nm
Payment for purchase of subsidiaries, net of cash acquired	-	-	(6)	(6)	(337)	-98.3
Investment in venture investments	(57)	(9)	(356)	(437)	(60)	@
Proceeds from disposal of venture investments	1	38	7	15	78	-81.0
Proceeds from disposal of property, plant and equipment	23	*	*	161	143	12.8
Withholding tax paid on interest received on inter-company loans	(11)	(12)	-	(23)	(26)	-12.7
Payment for acquisition of non-controlling interests	-	-	-	(16)	-	nm
Others	2	3	2	7	18	-59.9
	(593)	(1,149)	(797)	(2,329)	(1,951)	19.4
Net cash outflow from financing activities						
Net increase/ (decrease) in borrowings	72	1,113	81	222	(312)	nm
Settlement of swap for bonds repaid	8	-	(34)	(6)	61	nm
Net interest paid on borrowings and swaps	(98)	(86)	(110)	(385)	(380)	1.4
Final dividend paid to shareholders	-	-	-	(1,747)	(1,747)	**
Interim dividend paid to shareholders	(1,110)	(1,110)	-	(1,110)	(1,110)	**
Special dividend paid to shareholders	-	(490)	-	-	(490)	nm
Purchase of performance shares	(6)	(6)	(6)	(26)	(25)	2.4
Others	-	-	(5)	(4)	(8)	-42.7
	(1,134)	(579)	(74)	(3,056)	(4,009)	-23.8
Net decrease in cash and cash equivalents	(122)	(324)	(69)	(16)	(5)	248.9
Exchange effects on cash and cash equivalents	(3)	8	(1)	4	(4)	nm
Group cash and cash equivalents at beginning	637	841	707	525	534	-1.7
Group cash and cash equivalents at end	513	525	637	513	525	-2.3
Group free cash flow						
Singapore	656	343	140	1,242	1,126	10.3
Optus	428	367	154	1,006	989	1.8
Group free cash flow (before associates' dividends/ distributions)	1,084	709	294	2,248	2,114	6.3
Dividends/ Distributions received from associates (net of withholding tax)	36	91	93	1,402	1,492	-6.0
Group free cash flow	1,120	800	387	3,650	3,606	1.2
<i>Optus free cash flow (in A\$)</i>	<i>446</i>	<i>357</i>	<i>159</i>	<i>1,028</i>	<i>947</i>	<i>8.5</i>
Cash capex to operating revenue	11%	14%	9%	10%	14%	

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

SECTION 1 : GROUP

Net cash inflow from operating activities (before associates' dividend receipts) for the quarter grew 20% to S\$1.57 billion due mainly to higher operating receipts especially from ICT projects and NBN migrations. Dividends/distributions from the associates decreased on timing of interim dividend from Airtel and absence of dividend from Southern Cross. Consequently, total cash flow from operations grew 14% to S\$1.61 billion.

Net cash outflow for investing activities amounted to S\$593 million. Capital expenditure comprised S\$137 million for Singapore and S\$348 million (A\$361 million) for Australia. In Singapore, major capital investments in the quarter included S\$52 million for mobile network and S\$85 million for fixed and other core infrastructure. In Australia, capital investments in mobile network, and fixed and other core infrastructure were A\$218 million and A\$143 million respectively.

Free cash flow in the quarter was S\$1.12 billion, up 40% from the last corresponding quarter mainly on higher operating receipts and lower capital expenditure partly offset by lower dividends received from associates.

Net cash financing outflow of S\$1.13 billion in the quarter mainly comprised interim dividend payment of S\$1.11 billion in respect of the current financial year and interest payments of S\$98 million, partly offset by net increase in borrowings of S\$72 million.

Overall cash balance decreased S\$125 million from a quarter ago and the cash balance was S\$513 million as at 31 March 2019.

OTHER INFORMATION

Proposed Converged Competition Code

In Singapore, the IMDA is developing a converged competition code for the telecommunication and media markets (the "**Converged Code**") in order to streamline regulatory provisions in these markets. A public consultation on the proposed Converged Code will be held from 20 February 2019 to 15 May 2019.

5G Mobile Networks

On 4 March 2019, the Minister for Communications and Information in Singapore announced that the IMDA will launch a public consultation shortly on the regulatory framework and policies for 5G mobile networks, including the allocation of spectrum rights for the 5G mobile networks.

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 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 associates are discussed in **Section 5**.

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

- **Operating revenue, EBITDA and EBIT grew 2.4%, 2.5% and 8.5% respectively.**
- **In constant currency terms⁷, operating revenue, EBITDA and EBIT rose 8.3%, 8.6% and 15% respectively.**

FOR THE YEAR ENDED 31 MARCH 2019

- **Operating revenue grew 1.1% while EBITDA and EBIT fell 4.7% and 7.4% respectively.**
- **In constant currency terms⁷, operating revenue rose 5.8% while EBITDA was stable and EBIT fell 3.4%.**

⁷ Assuming constant exchange rates for the Australian Dollar from the corresponding periods ended 31 March 2018.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER SUMMARY INCOME STATEMENT
 For The Fourth Quarter And Year Ended 31 March 2019

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue	2,436	2,380	2.4	9,819	9,711	1.1
Operating expenses	(1,640)	(1,607)	2.0	(6,804)	(6,596)	3.2
	797	773	3.0	3,015	3,116	-3.2
Other income	36	38	-7.3	152	207	-26.7
EBITDA	832	812	2.5	3,166	3,322	-4.7
- margin	34.2%	34.1%		32.2%	34.2%	
Depreciation & amortisation	(381)	(396)	-3.7	(1,545)	(1,572)	-1.7
EBIT	451	416	8.5	1,622	1,751	-7.4
NBN Migration revenues	90	18	407.9	180	200	-10.0
Ex-NBN Migration revenues						
Operating revenue	2,346	2,362	-0.7	9,638	9,511	1.3
EBITDA	742	794	-6.5	2,986	3,122	-4.4
EBIT	361	398	-9.3	1,441	1,550	-7.0

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales ⁽²⁾	731	637	14.7	2,941	2,525	16.5
Selling & administrative	404	409	-1.2	1,717	1,793	-4.3
Traffic expenses	266	277	-3.9	1,078	1,084	-0.6
Staff costs	187	232	-19.5	850	942	-9.8
Repair & maintenance	51	43	17.6	203	207	-2.0
Others	1	8	-91.7	15	45	-65.5
Operating expenses	1,640	1,607	2.0	6,804	6,596	3.2

Notes:

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

(2) Cost of sales include costs of content and programming.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER OPERATING HIGHLIGHTS

For The Fourth Quarter Ended 31 March 2019

Group Consumer recorded growth in revenue, EBITDA and EBIT of 2.4%, 2.5% and 8.5% respectively. The Australian Dollar depreciated 7% against the Singapore Dollar from the same quarter last year. In constant currency terms, operating revenue, EBITDA and EBIT grew strongly by 8.3%, 8.6% and 15% respectively. The growth was driven by higher equipment sales and NBN migration revenues in Australia following NBN's lifting of the temporary suspension on its HFC network.

For The Year Ended 31 March 2019

For the year, operating revenue grew 1.1% mainly on higher equipment sales and handset leasing. EBITDA and EBIT however declined by 4.7% and 7.4% respectively. In constant currency terms, operating revenue rose 5.8%, while EBITDA was stable and EBIT fell 3.4% after higher depreciation and amortisation charges.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	
Operating revenue	2,436	2,642	-7.8
Operating expenses	(1,640)	(1,882)	-12.9
EBITDA	832	795	4.7
- margin	34.2%	30.1%	
EBIT	451	410	10.1

Compared to the preceding quarter, both EBITDA and EBIT improved due to higher NBN migration revenues and strong cost control.

SECTION 2 : GROUP CONSUMER**SINGAPORE CONSUMER SUMMARY INCOME STATEMENT**
For The Fourth Quarter and Year Ended 31 March 2019

	Quarter		Chge %	Year		Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue	541	535	1.1	2,240	2,236	0.2
Operating expenses	(379)	(379)	**	(1,529)	(1,499)	2.0
	162	156	3.7	711	737	-3.5
Other income ⁽¹⁾	6	4	68.4	25	17	48.2
EBITDA	169	160	5.2	736	753	-2.3
- margin	31.2%	29.9%		32.9%	33.7%	
Depreciation & amortisation	(65)	(63)	2.2	(251)	(241)	4.4
EBIT	104	97	7.2	485	513	-5.5

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Mobile service ⁽²⁾	249	254	-2.1	1,034	1,075	-3.8
Sale of equipment	143	123	16.5	570	519	9.9
Leasing revenue ⁽³⁾	1	-	nm	2	-	nm
Mobile	393	377	4.4	1,607	1,594	0.8
Fixed broadband	59	58	1.4	234	230	1.7
Residential Pay TV	49	51	-2.6	230	219	4.9
Fixed voice	28	33	-16.0	122	133	-8.9
Others ⁽⁴⁾	12	16	-29.9	48	60	-18.8
Operating revenue	541	535	1.1	2,240	2,236	0.2
Cost of sales	187	174	7.9	772	705	9.5
Selling & administrative	83	87	-4.8	307	322	-4.6
Staff costs	55	58	-5.5	228	233	-2.1
Traffic expenses	45	51	-11.5	195	208	-6.1
Repair & maintenance	13	16	-15.3	51	55	-6.6
Others	(5)	(7)	-26.1	(24)	(23)	4.3
Operating expenses	379	379	**	1,529	1,499	2.0
Direct costs ⁽⁵⁾	177	170	4.1	742	688	7.8
Other operating expenses	202	209	-3.4	787	811	-2.9
Operating expenses	379	379	**	1,529	1,499	2.0

*** denotes less than +/-0.05%

Notes:

- (1) 'Other income' include trade foreign currency exchange differences, rental income, gain/loss on disposal of scrap copper and property, plant and equipment, and other miscellaneous recoveries. The net trade foreign exchange gain was less than S\$1 million (Q4 FY2018: S\$1 million of loss) for the quarter and S\$1 million of loss (FY2018: S\$8 million of loss) for the year ended 31 March 2019.
- (2) With effect from 1 July 2018, mobile digital services previously classified under "Others" have been classified under "Mobile service".
- (3) Comprise revenue from lease of handsets to mobile customers under 2-year contracts.
- (4) 'Other revenue' include revenues from mobile network cabling works and projects.
- (5) Comprise mainly cost of sales and traffic expenses directly attributable to revenue earned from sale of equipment and services rendered.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2019

Operating revenue for Singapore Consumer rose 1.1% in a highly competitive market. The growth was driven mainly by higher equipment sales partially offset by lower voice. With stringent cost management, EBITDA grew 5.2%.

Including equipment sales, total Mobile revenue rose 4.4%. Mobile service revenue (which includes amortisation of handset subsidies⁸) reduced 2.1% from lower voice and higher mix of SIM-only plans partially offset by higher data.

Despite intense competition, the postpaid customer base grew by 32,000⁹ from a quarter ago, mainly from SIM-only and Mobile Share plans. The increase gave Singtel a strong platform to drive data and digital value-added services. Postpaid ARPU declined 9% due mainly to higher penetration of SIM-only plans and lower data prices. The prepaid customer base fell 20,000 in the quarter partly on migration to postpaid SIM-only plans.

Singtel introduced new XO postpaid mobile plans bundled with complimentary HBO GO subscription. These plans seek to enable Singtel's customers to enjoy non-stop entertainment anytime and anywhere on their smartphones.

In this quarter, Singtel also introduced GOMO, a new all-digital mobile product which caters specifically to the lifestyles of digital natives and millennials. The highly popular plan offers affordable and generous data allowances that can be purchased online. A multi-destination prepaid data-only GOMO Travel SIM was also launched to cater to the needs of travellers.

Singtel and GOJEK recently signed a Memorandum of Understanding and will roll out initiatives to cross-market offerings of each party, which comprise mobile, ride-hailing and lifestyle services. GOJEK driver-partners who subscribe to a Singtel Combo plan will enjoy data-free usage when using their GOJEK app, as well as preferential rates on Singtel's wide range of content and lifestyle services. Singtel customers will in turn benefit from GOJEK's ride-hailing perks such as credits.

Fixed broadband revenue was up 1.4% on increased take-ups of higher speed fibre plans. Pay TV revenue fell 2.6% on decline in customer base. However, the residential pay TV customer base was stable from a quarter ago, a reversal of past trends due to enhanced content offerings. The number of customers who signed up for 'on-the-go' services, namely the Cast OTT and Singtel TV Go companion apps, grew by 2,000 in the quarter to 118,000 as at 31 March 2019.

Singtel also announced a tie-up with Amazon, offering eligible Singtel customers with one year of complimentary Amazon Prime membership to enhance their digital experiences. With this offer, Singtel customers will get to enjoy Amazon Prime's shopping and entertainment benefits.

To promote consumer wellness and encourage active and healthier lifestyles, Singtel inked a strategic partnership with AIA Singapore to digitally engage their combined base of more than 5 million customers. In the coming months, Singtel will unveil a wellness digital platform within My Singtel app that allows customers to earn mobile data rewards with every step they take and offer content related to health, fitness and nutrition.

⁸ Under new revenue standard applied retrospectively to FY2018, handset subsidies are amortised against mobile service revenue over the term of the mobile customer contract.

⁹ Based on total product view (i.e. include Enterprise mobile).

SECTION 2 : GROUP CONSUMER

Excluding Cost of sales, operating expenses fell 6.7% on strong cost management. EBIT improved 7.2% after including higher depreciation and amortisation charges on network investments.

For The Year Ended 31 March 2019

Operating revenue was stable. Mobile service revenue fell 3.8% on declines in voice (local, IDD and roaming) partially offset by growth in data. Including equipment sales which grew 9.9%, total Mobile revenue remained stable. Total postpaid customer base grew by 125,000¹⁰ or 5.1% from a year ago.

With lower service revenue, EBITDA declined 2.3%. EBIT fell 5.5% after including higher depreciation and amortisation charges from increased network and spectrum investments, and the new billing system.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	
Operating revenue	541	598	-9.5
Operating expenses	(379)	(412)	-8.0
EBITDA	169	194	-13.2
- margin	31.2%	32.5%	
EBIT	104	132	-21.3

EBITDA declined on lower equipment sales and mobile roaming revenue on seasonality.

¹⁰ Based on total product view (i.e. include Enterprise mobile).

SECTION 2: GROUP CONSUMER**AUSTRALIA CONSUMER SUMMARY INCOME STATEMENT**
For The Fourth Quarter And Year Ended 31 March 2019

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 A\$m	2018 A\$m		2019 A\$m	2018 A\$m	
Operating revenue	1,964	1,780	10.4	7,659	7,129	7.4
Operating expenses	1,296	1,178	10.1	5,299	4,837	9.6
	668	602	11.0	2,359	2,291	3.0
Other income	28	33	-13.6	123	179	-31.1
EBITDA	697	635	9.7	2,483	2,470	0.5
- margin	35.5%	35.7%		32.4%	34.7%	
Depreciation & amortisation	328	321	2.2	1,304	1,267	3.0
EBIT	369	314	17.4	1,178	1,203	-2.1
NBN Migration revenues	93	17	445.5	184	191	-3.6
Exclude NBN Migration revenues						
Operating revenue	1,871	1,763	6.2	7,475	6,938	7.7
EBITDA	604	618	-2.3	2,299	2,279	0.8
EBIT	276	297	-7.2	994	1,013	-1.8

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 A\$m	2018 A\$m		2019 A\$m	2018 A\$m	
Incoming	53	50	4.7	212	207	2.7
Outgoing	860	859	**	3,411	3,444	-1.0
Total Mobile Service	912	910	0.3	3,623	3,650	-0.7
Equipment	486	389	24.9	1,933	1,461	32.3
Leasing Revenue ⁽¹⁾	45	12	273.8	141	24	482.2
Total Mobile Revenue	1,444	1,311	10.1	5,697	5,136	10.9
Voice	50	77	-35.2	268	331	-19.0
Broadband	81	95	-15.4	351	414	-15.3
PayTV	25	29	-13.0	113	116	-2.2
Mass Market Fixed On-net	156	202	-22.7	732	860	-14.9
Mass Market Fixed Off-net ⁽²⁾	236	127	86.3	691	561	23.1
Total Mass Market Fixed	392	329	19.4	1,423	1,422	0.1
Data & IP	52	59	-11.3	222	229	-3.4
Voice	21	24	-13.7	88	98	-10.7
Satellite	55	57	-4.3	231	244	-5.4
Total Wholesale Fixed	128	140	-8.9	540	571	-5.5
Operating revenue	1,964	1,780	10.4	7,659	7,129	7.4

*** denotes less than +/-0.05%

Notes:

- (1) Comprise revenue from lease of handsets to mobile customers under 2-year contracts.
- (2) Include NBN migration and site preparation revenues of A\$93 million (Q4 FY2018: A\$17 million) for the quarter and A\$184 million (FY2018: A\$191 million) for the year ended 31 March 2019.

SECTION 2 : GROUP CONSUMER

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019	2018		2019	2018	
	A\$m	A\$m		A\$m	A\$m	
Cost of sales	563	448	25.8	2,195	1,739	26.2
Selling & administrative	329	307	7.0	1,408	1,392	1.1
Traffic expenses	229	218	5.1	891	835	6.8
Staff costs	130	163	-20.5	612	663	-7.7
Repair & maintenance	39	26	49.6	153	144	6.7
Others	6	15	-60.6	40	65	-38.6
Operating expenses	1,296	1,178	10.1	5,299	4,837	9.6
Direct costs ⁽¹⁾	859	701	22.5	3,331	2,786	19.6
Other operating expenses	437	477	-8.3	1,969	2,052	-4.1
Operating expenses	1,296	1,178	10.1	5,299	4,837	9.6

Note:

(1) Comprise mainly cost of sales, traffic expenses and selling expenses directly attributable to revenue earned from sale of equipment and services rendered.

AUSTRALIA CONSUMER OPERATING PERFORMANCE**For The Fourth Quarter Ended 31 March 2019**

Australia Consumer reported strong operating revenue growth of A\$184 million or 10%. The growth was due to increases in equipment sales and handset leasing, and higher NBN migration revenues as the temporary suspension on NBN's HFC network has been lifted. Excluding NBN migration and site preparation revenues, operating revenue increased 6.2%.

Total Mobile revenue grew a robust 10% driven by customer growth and higher equipment sales and handset leasing. Mobile service revenue was stable with strong postpaid customer growth offset by lower ARPU from heightened competition.

Postpaid handset customer base grew 121,000¹¹ in the quarter, with branded handset customer base increase of 151,000. Postpaid ARPU declined 2% due to the higher mix of SIM-only plans and data price competition.

Prepaid customer base declined by 109,000, impacted by deactivations of 125,000 inactive customers by a major wholesale customer.

In Mobile, Optus' 4G network grew to 7,368 sites which covered 97.3% of the Australian population as at 31 March 2019. During the quarter, Optus launched 5G Home Broadband services and conducted a groundbreaking 5G video call, with augmented reality, between Singapore and Australia.

Optus delivered new coverage under regional Blackspots Program with 15 sites going live in the quarter.

Optus continues to build on its content strategy, announcing its broadcasting plans for the 2019 FIFA Women's World Cup. Optus Sport will be the only broadcaster covering all 52 matches. Optus also launched its improved NatGeo app, featuring Optus' exclusive content "Only in OZ".

¹¹ Including Enterprise customers, Optus' total postpaid handset customer base grew by 126,000.

SECTION 2 : GROUP CONSUMER

In Mass Market Fixed, operating revenue grew 19% due to higher NBN migration revenues from the lifting of the NBN HFC suspension. NBN customer base increased a robust 50,000 this quarter, bringing the increase to 137,000 for the year.

Wholesale Fixed revenue declined 8.9% mainly due to lower Data & IP and voice, as well as price erosion from renewals of long-term satellite contracts.

Total operating expenses increased 10%, impacted by a shift in revenue mix. Higher equipment sales and NBN customer growth have led to an increase in equipment cost of sales and traffic expenses respectively. Excluding direct costs, other operating expenses decreased 8.3% on strong cost control.

EBITDA and EBIT grew 9.7% and 17% respectively driven by higher NBN migration revenues.

For The Year Ended 31 March 2019

For the year, operating revenue grew 7.4% due to increases in equipment sales, handset leasing and customer growth, with record net additions of 454,000 of branded postpaid handset customers for the year.

EBITDA was stable while EBIT declined 2.1%. Excluding NBN migration revenues and dispute settlement recorded last year, underlying EBITDA and EBIT grew 2.6% and 2.1% respectively.

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

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 A\$m	31 Dec 2018 A\$m	
Operating revenue	1,964	2,072	-5.2
Operating expenses	1,296	1,484	-12.7
EBITDA	697	615	13.3
- margin	35.5%	29.7%	
EBIT	369	288	28.0
NBN Migration revenues	93	44	112.6
Exclude NBN Migration revenues			
Operating revenue	1,871	2,028	-7.8
EBITDA	604	571	5.6
EBIT	276	244	12.8

Against the preceding quarter, EBITDA and EBIT improved due to higher NBN migration revenues and strong cost control.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE**MANAGEMENT DISCUSSION AND ANALYSIS**

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

In this section, “Singapore” refers to all geographies that Singtel has operations other than Australia.

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2019**

- **Operating revenue fell 2.7%.**
- **EBITDA down 16% on lower legacy services and ICT margin erosion on contract renewals.**
- **EBIT fell 27%.**
- **In constant currency terms¹², operating revenue, EBITDA and EBIT declined 1.3%, 15% and 27% respectively.**

FOR THE YEAR ENDED 31 MARCH 2019

- **Operating revenue down 2.3%.**
- **EBITDA down 9.0%.**
- **EBIT fell 14%.**
- **In constant currency terms¹², operating revenue was stable while EBITDA and EBIT declined 8.3% and 14% respectively.**

¹² Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding periods ended 31 March 2018.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE SUMMARY INCOME STATEMENT
For The Fourth Quarter And Year Ended 31 March 2019

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Operating revenue	1,632	1,677	-2.7	6,329	6,477	-2.3
Operating expenses	(1,276)	(1,244)	2.5	(4,702)	(4,658)	0.9
Other income ⁽¹⁾	356	432	-17.6	1,628	1,819	-10.5
	23	17	33.9	68	45	50.9
EBITDA	379	449	-15.7	1,695	1,863	-9.0
- margin	23.2%	26.8%		26.8%	28.8%	
Depreciation & amortisation	(162)	(152)	6.9	(615)	(608)	1.2
EBIT	216	297	-27.2	1,080	1,256	-14.0
Global Cyber Security business						
Managed Security & Tech Services	141	124	13.8	470	428	10.0
Payment Card Industry Compliance	19	20	-6.4	78	100	-21.2
Operating revenue	160	144	10.9	549	527	4.1
EBITDA	(6)	(7)	-23.3	(43)	(21)	101.4
EBIT	(25)	(20)	28.6	(102)	(73)	41.1

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cyber security	160	144	10.9	549	527	4.1
Other services ⁽²⁾	510	508	0.5	1,881	1,920	-2.0
Managed services	670	652	2.8	2,430	2,447	-0.7
Business solutions ⁽³⁾	169	158	6.9	604	561	7.7
ICT	839	810	3.6	3,034	3,008	0.9
Data and Internet ⁽⁴⁾	392	420	-6.7	1,605	1,674	-4.1
Mobile service	182	201	-9.8	773	831	-7.0
Sale of equipment	98	99	-0.3	395	362	9.1
Mobile	280	300	-6.7	1,168	1,193	-2.1
Fixed voice	106	128	-17.4	462	530	-12.9
Others ⁽⁵⁾	15	19	-18.1	62	72	-14.6
Operating revenue	1,632	1,677	-2.7	6,329	6,477	-2.3
ICT as % of total revenue	51%	48%		48%	46%	

Notes:

- (1) 'Other income' include trade foreign currency exchange differences, rental income, gain/loss on disposal of scrap copper, property, plant and equipment, and other miscellaneous recoveries. The net trade foreign exchange gains amounted to S\$4 million (Q4 FY2018: S\$6 million) for the quarter and S\$2 million (FY2018: S\$1 million) for the year ended 31 March 2019.
- (2) Include facility management, managed and network services, and value-added reselling and services.
- (3) Include applications management services and outsourcing, system integration and business process outsourcing, and communication engineering services.
- (4) Include local leased circuits, international leased circuits, fixed broadband, Singtel Internet exchange and satellite.
- (5) 'Other revenue' include TV and digital business revenues.

SECTION 3 : GROUP ENTERPRISE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales	585	524	11.5	1,972	1,824	8.1
Staff costs	360	379	-5.0	1,449	1,536	-5.7
Selling & administrative	165	170	-2.9	633	628	0.7
Traffic expenses	120	129	-6.9	496	532	-6.8
Repair, maintenance and others	46	42	10.0	153	138	10.9
Operating expenses	1,276	1,244	2.5	4,702	4,658	0.9
Direct costs ⁽¹⁾	858	812	5.6	3,062	2,966	3.2
Other operating expenses	419	432	-3.2	1,640	1,692	-3.1
Operating expenses	1,276	1,244	2.5	4,702	4,658	0.9

Note:

(1) Comprise cost of sales, traffic expenses, staff costs and selling & administrative expenses directly attributable to revenue earned from sale of equipment and services rendered.

GROUP ENTERPRISE OPERATING HIGHLIGHTS**For the Fourth Quarter Ended 31 March 2019**

Singapore contributed 80% (Q4 FY2018: 77%) and 87% (Q4 FY2018: 84%) to Group Enterprise's operating revenue and EBITDA respectively.

Group Enterprise's operating revenue fell 2.7%. In constant currency terms, operating revenue would have declined by 1.3%. The decrease was mainly due to lower revenue at Optus Business on double-digit decline in fixed voice and significant slowdown in customer spending especially in the government and financial sectors.

ICT revenue grew 3.6% led by Cyber security, Smart cities and Cloud which together contributed S\$344 million of revenue, up 18% from S\$292 million in the last corresponding quarter. Cyber security revenue continued its momentum and grew 11% with strong growth in Asia Pacific.

Operating expenses increased 2.5% mainly due to higher Cost of sales related to ICT projects and related equipment sales. Staff costs fell on lower headcount. Selling and administrative expenses were lower on write back of accrual of expenses no longer required. Traffic expenses declined on lower call and roaming traffic, and unit cost.

EBITDA declined 16% amid a cautious business environment on lower legacy services especially voice, lower prices on renewal of some major public sector ICT contracts in Singapore as well as higher ICT mix. ICT contributed 51% of Group Enterprise's overall revenue this quarter, up from 48% in the same quarter last year.

EBIT was down 27% after including higher depreciation and amortisation charges arising from investments in network and project related capital spending.

SECTION 3 : GROUP ENTERPRISE

In this quarter, Singtel further strengthened its position in the cyber security industry as Trustwave was recognised as the top provider of managed security services in the 2019 SC awards. Trustwave was also named a “Strong Performer” by Forrester in the Forrester Wave™ Report, which identified the 11 most important vendors in managed security services in Asia Pacific.

Singtel continued to build synergies by forming various partnerships in the field of Cyber security, IoT and Cloud:

- Singtel and Argus joined forces to strengthen cyber security capabilities for Singapore’s transportation sector;
- Singtel and China Mobile work to propel IoT growth in Asia Pacific;
- Singtel and Microsoft to launch an AI-powered IoT network over Microsoft Azure; and
- Optus Business deepens the alliance with Cisco with cloud calling and deliverance of a full tech suite.

Based on IDC’s Asia-Pacific Telecom Services Database for 1H 2018¹³, Singtel maintained its position as Asia Pacific’s Leading ICT Provider with sustained market share position of 21.2% in the International IPVPN market, 16.2% in the IPLC market, 23.3% in the International E-Line market and 17.4% in the International E-VPN market.

For The Year Ended 31 March 2019

Group Enterprise’s operating revenue declined 2.3% mainly due to declines in legacy services especially voice, and price erosion. In constant currency terms, operating revenue was stable.

EBITDA and EBIT fell 9.0% and 14% respectively from aggressive price competition in carriage and pricing pressures in the renewal of major ICT contracts in the public sector as well as investments in digitalisation programmes.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	
Operating revenue	1,632	1,606	1.6
Operating expenses	(1,276)	(1,188)	7.4
EBITDA	379	428	-11.6
- margin	23.2%	26.7%	
EBIT	216	276	-21.7

EBITDA declined 12% mainly on margin pressures and lower mobile connections due to seasonality.

¹³ IDC Telecom Services Database Asia-Pacific 1H 2018, January 2019.

SECTION 3 : GROUP ENTERPRISE

SINGAPORE ENTERPRISE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Managed services ⁽¹⁾	524	493	6.4	1,800	1,784	0.9
Business solutions ⁽²⁾	169	158	6.9	604	561	7.7
ICT	693	651	6.5	2,405	2,345	2.6
Data and Internet ⁽³⁾	322	338	-4.6	1,308	1,346	-2.9
Mobile service	141	155	-8.9	598	641	-6.8
Sale of equipment	80	75	7.1	306	276	11.0
Mobile	221	230	-3.7	904	917	-1.5
Fixed voice	51	56	-10.1	221	239	-7.4
Others ⁽⁴⁾	15	19	-18.1	62	72	-14.6
Operating revenue	1,303	1,293	0.7	4,899	4,919	-0.4
EBITDA - margin	329 25.3%	376 29.1%	-12.6	1,481 30.2%	1,598 32.5%	-7.3

Notes:

- (1) Include cyber security, 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.
- (4) 'Other revenue' include TV and digital business revenues.

Operating revenue was stable with growth in ICT revenue offset by decline in legacy carriage services. EBITDA, however, declined 13% from price erosion on ICT contract renewals due to increased competition in public sector contracts, lower fixed voice and mobile roaming usage as well as investments in digitalisation programmes.

ICT revenue grew 6.5% due to strong project related equipment sales this quarter.

NCS' order book was S\$3.0 billion as at 31 March 2019 on renewal of major contracts and new wins.

Data and Internet revenue declined 4.6% from price erosion.

Mobile service revenue fell 8.9% due to ARPU decline on intense price competition and lower international voice and roaming usage. Including equipment sales which grew 7.1%, total Mobile revenue fell 3.7%.

Fixed voice revenue fell 10% on lower call usage on continued mobile data substitution. The impact of the decline was partially mitigated by lower outpayment costs.

SECTION 3 : GROUP ENTERPRISE**AUSTRALIA ENTERPRISE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 A\$ m	2018 A\$ m		2019 A\$ m	2018 A\$ m	
ICT and Managed Services	150	153	-1.8	634	631	0.5
Data and IP	73	80	-8.6	300	312	-3.9
Mobile ⁽¹⁾	61	68	-9.9	266	263	1.4
Voice	57	69	-17.2	243	278	-12.4
Operating revenue ⁽²⁾	342	370	-7.6	1,444	1,484	-2.7
EBITDA - margin	51 15.0%	70 19.0%	-26.8	216 15.0%	254 17.1%	-14.8

Notes:

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

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

Operating revenue was down 7.6% on double-digit decline in fixed voice and significant slowdown in customer spending especially in the key government and financial sectors on delayed contract awards. With lower operating revenue, EBITDA reduced by 27%.

ICT and Managed services revenue declined slightly due to large one-off sales in the same quarter last year.

Data and IP revenue declined 8.6% attributable to price erosion and lower volumes.

Mobile revenue declined 9.9% on lower equipment sales and pricing impact on messaging and roaming. However, the number of mobile customers grew 10% from a year ago on strong net additions.

Voice revenue declined 17% in line with the industry. The decrease was due to steep price erosions and declines in switched voice business with enterprise customers continuing to migrate to lower cost IP-based solutions.

In March 2019, Optus Business announced a 5-year contract with supermarket operator, Coles. This is one of the largest network and ICT deals announced in Australia in recent years. Under the agreement, Optus will provide enterprise network services to more than 2,400 locations across Australia and support Coles' 115,000 employees.

Optus Business was recently appointed Cisco's first Australian telco provider of Broad Cloud Calling. With the appointment, Optus Business will offer customers this new service via Optus Cloud from June 2019.

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.

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

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2019**

- **Operating revenue grew 33% with contributions from Videology assets acquired in August 2018 and first time recognition of technology licensing fees.**
- **Negative EBITDA at S\$18 million.**
- **Negative EBIT at S\$35 million.**

FOR THE YEAR ENDED 31 MARCH 2019

- **Operating revenue grew 13%.**
- **Negative EBITDA at S\$92 million.**
- **Negative EBIT at S\$152 million.**

SECTION 4 : GROUP DIGITAL LIFE**GROUP DIGITAL LIFE SUMMARY INCOME STATEMENT**
For The Fourth Quarter And Year Ended 31 March 2019

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Amobee group	274	216	26.8	1,250	1,139	9.7
Others ⁽¹⁾	16	11	43.6	40	23	72.3
Operating revenue	289	227	27.7	1,289	1,162	10.9
Intercompany eliminations	(16)	(22)	-27.3	(66)	(82)	-19.9
Operating revenue	274	205	33.4	1,224	1,080	13.3
Operating expenses	(291)	(207)	40.4	(1,315)	(1,133)	16.0
	(18)	(2)	@	(91)	(53)	72.1
Other income	*	2	nm	*	2	nm
EBITDA	(18)	*	nm	(92)	(51)	78.8
Depreciation & amortisation	(17)	(14)	25.0	(60)	(69)	-12.7
EBIT	(35)	(14)	156.3	(152)	(120)	26.2
<u>Amobee group</u>						
Operating revenue	274	216	26.8	1,250	1,139	9.7
Intercompany eliminations	(14)	(20)	-29.0	(63)	(78)	-19.6
Operating revenue	259	196	32.5	1,187	1,061	11.9
EBITDA	4	*	nm	1	31	-95.5
EBIT	(8)	(9)	-13.0	(42)	(18)	129.1

Note:

(1) Other revenues mainly comprise revenues from HOOQ and DataSpark.

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

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

SECTION 4 : GROUP DIGITAL LIFE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Cost of sales	206	143	43.8	957	814	17.5
Staff costs	55	49	13.2	239	216	11.0
Selling & administrative	25	13	90.8	98	91	7.6
Others	6	3	103.7	22	13	64.1
Operating expenses	291	207	40.4	1,315	1,133	16.0

GROUP DIGITAL LIFE OPERATING HIGHLIGHTS**For The Fourth Quarter Ended 31 March 2019**

Operating revenue grew strongly by 33% from growth in Amobee's programmatic platform business, contributions from Videology assets acquired in August 2018 and first time recognition of technology licencing fees from ITV plc ("iTV"). Amobee's revenue from the traditional media business fell as customers shifted to self-served programmatic platforms. Excluding contributions from Videology and the technology licencing fees, Group Digital Life's revenue rose 17%.

Revenue from HOOQ grew a robust 66% due to higher paying subscriber base in Southeast Asia and India.

Negative EBITDA increased to S\$18 million as the last corresponding quarter included some one-off content cost credits from contract re-negotiations as well as government grants.

During the quarter, Amobee announced partnerships with two of the largest global television broadcasters, iTV and Univision Communications Inc. ("**Univision**"). The partnerships positioned Amobee to leverage the convergence of linear and connected TV, as well as digital video with other programmatic media.

iTV is the largest commercial broadcaster in the United Kingdom. The exclusive partnership gives iTV the ability to deploy Amobee TV platform technologies to offer advertisers advanced solutions and programmatic access within its portfolio of premium digital video inventory. This offers advertisers the ability to deliver mass simultaneous reach across linear channels, alongside targeted, data-driven addressable advertising.

Univision is the leading Spanish-language broadcaster in the United States of America. Amobee is working with Univision to provide data-optimised linear TV advertising. This provides advertisers with more granular audience targeting and measurement of their audience reach across multiple networks.

Amobee continued to enhance its capabilities to provide insight-driven brand analytics and advertising solutions. Through collaboration with Nielsen Holdings plc ("**Nielsen**"), Amobee integrates Nielsen's TV and online media consumption data with its platform, enabling advertisers to plan, buy and measure the same audience across TV and digital channels.

HOOQ continued its investment in original content. During the quarter, HOOQ debuted its first original production from the Philippines, *Ulan*, for theatrical release. HOOQ also premiered the pilot episodes of five original screenplays that emerged from the 2018 Filmmakers Guild.

SECTION 4 : GROUP DIGITAL LIFE

For The Year Ended 31 March 2019

Operating revenue for the year increased 13% to S\$1.22 billion mainly on growth in Amobee and HOOQ. Amobee's revenue included contribution from Videology and growth in its programmatic platform business. The growth was moderated by the decline in the media business. HOOQ's revenue more than doubled from last year as it continued to add subscribers and gained scale.

Negative EBITDA was S\$92 million and negative EBIT was S\$152 million.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2018 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2019 S\$ m	31 Dec 2018 S\$ m	
Operating revenue	289	394	-26.6
Intercompany eliminations	(16)	(16)	1.3
Operating revenue	274	379	-27.8
Operating expenses	(291)	(394)	-26.1
EBITDA	(18)	(16)	7.3
EBIT	(35)	(32)	8.8

Negative EBITDA increased from the preceding quarter due to decline in Amobee's revenue on seasonality.

SECTION 5: ASSOCIATES / JOINT VENTURES

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2019

- **Pre-tax and post-tax underlying profit¹⁴ contributions from associates fell 19% and 17% respectively mainly from Airtel.**
- **If the regional currencies had remained stable from last corresponding quarter, both the pre-tax and post-tax underlying profit¹⁴ contributions from associates would have declined by 21% and 19% respectively. Excluding Airtel, pre-tax and post-tax underlying profit¹⁴ contributions from associates would have increased by 6.8% and 5.5% respectively.**
- **Excluding Airtel, the Group's combined mobile customer base¹⁵ was up 15 million or 5.3% in the quarter.**

FOR THE YEAR ENDED 31 MARCH 2019

- **Pre-tax and post-tax underlying profit¹⁴ contributions from associates declined 38% and 24% respectively, mainly from Airtel and Telkomsel.**
- **If the regional currencies had remained stable from last year, the pre-tax and post-tax underlying profit¹⁴ contributions from associates would have declined 36% and 22% respectively.**

¹⁴ Exclude one-off items of the associates classified as exceptional items of the Group.

¹⁵ Combined mobile customer base here refers to the total number of mobile customers in Singtel, Optus and the regional associates.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Pre-tax profit contribution ⁽¹⁾	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Regional associates						
Telkomsel						
- operating results	297	289	2.7	1,126	1,372	-17.9
- fair value (loss)/ gain	(1)	*	nm	2	*	nm
	296	289	2.3	1,128	1,372	-17.8
AIS						
- operating results	90	96	-5.9	340	348	-2.3
- fair value gain/ (loss)	1	(1)	nm	3	(1)	nm
	91	95	-3.8	343	347	-1.2
Bharti Telecom ("BTL")/ Bharti Airtel ("Airtel")						
Airtel ⁽²⁾	(134)	6	nm	(471)	231	nm
BTL ⁽³⁾	(9)	(14)	-37.1	(40)	(15)	170.9
	(143)	(8)	@	(511)	216	nm
Globe ⁽²⁾						
- operating results	120	83	45.0	365	267	37.0
- fair value (loss)/ gain	*	(1)	nm	3	(1)	nm
	120	81	47.5	368	266	38.5
Intouch ⁽²⁾⁽⁴⁾						
- operating results	33	39	-16.0	124	128	-3.6
- fair value (loss)/ gain	*	*	nm	*	*	nm
- amortisation of acquired intangibles	(7)	(7)	1.4	(28)	(26)	8.2
	25	32	-20.0	96	103	-6.7
	389	488	-20.4	1,424	2,304	-38.2
Other Singtel associates						
NetLink NBN Trust/ NetLink Trust ("NLT") ⁽⁵⁾	13	12	13.6	52	82	-37.1
Other associates ⁽²⁾⁽⁶⁾	17	19	-11.4	60	68	-11.0
Singtel share of ordinary results (pre-tax)	419	519	-19.3	1,536	2,453	-37.4
Optus share of ordinary results (pre-tax)	*	*	nm	*	*	nm
Group share of ordinary results (pre-tax)	419	519	-19.3	1,536	2,454	-37.4
Exceptional items ("EI")						
Globe's one-off items	-	-	-	-	24	nm
Airtel's one-off items	-	-	-	-	(16)	nm
Group share of EI	-	-	-	-	7	nm
Singtel share of pre-tax profit ⁽²⁾	419	519	-19.3	1,536	2,461	-37.6
Optus share of pre-tax profit	*	*	nm	*	*	nm
Group share of pre-tax profit ⁽²⁾	419	519	-19.3	1,536	2,461	-37.6
<i>(excluding Airtel and BTL)</i>	562	528	6.6	2,047	2,262	-9.5
Group share of tax expense ⁽²⁾	88	119	-25.6	153	638	-76.0
Effective tax rate	21.1%	22.9%		10.0%	25.9%	

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution ⁽¹⁾	Quarter				YOY	Year				YOY	
	31 Mar					Chge	31 Mar				
	2019		2018		2019		2018		Chge		
	S\$ m	% ⁽⁷⁾	S\$ m	% ⁽⁷⁾	%		S\$ m	% ⁽⁷⁾		S\$ m	% ⁽⁷⁾
Regional associates											
Telkomsel	223	32	219	27	2.0	843	30	1,031	29	-18.3	
AIS	76	11	78	10	-3.4	286	10	292	8	-1.7	
Airtel ⁽²⁾	(90)		8		nm	(131)		101		nm	
BTL ⁽³⁾	(9)		(15)		-38.6	(40)		(18)		127.8	
	(98)	(14)	(7)	(1)	@	(171)	(6)	83	2	nm	
Globe ⁽²⁾											
- ordinary results	82		54		52.6	251		180		39.3	
- exceptional items	-		-		-	-		22		nm	
	82	12	54	7	52.6	251	9	202	6	23.9	
Intouch ^{(2)/(4)}											
- ordinary results	26		32		-17.8	101		106		-4.4	
- amortisation of acquired intangibles	(6)		(6)		3.6	(22)		(21)		8.3	
	21	3	26	3	-22.3	79	3	86	2	-7.5	
	304	44	371	45	-18.1	1,287	46	1,694	47	-24.0	
Other Singtel associates											
NLT ⁽⁵⁾	13	2	11	1	13.6	48	2	72	2	-32.9	
Other associates ^{(2)/(6)}	15	2	17	2	-13.5	47	2	56	2	-15.9	
Singtel share of post-tax profit ⁽²⁾	331	47	399	49	-17.1	1,383	49	1,821	51	-24.1	
Optus share of post-tax profit	*	**	2	**	nm	*	**	1	**	nm	
Group share of post-tax profit ⁽²⁾	331	47	401	49	-17.4	1,383	49	1,823	51	-24.1	
<i>(excluding Airtel and BTL)</i>	430		408		5.3	1,554		1,739		-10.7	

Post-tax profit contribution (in constant currency) ⁽⁸⁾	Quarter		YOY	Year		YOY
	31 Mar			31 Mar		
	2019	2018	Chge	2019	2018	Chge
	S\$ m	S\$ m	%	S\$ m	S\$ m	%
Regional associates	378	488	-22.5	1,459	2,304	-36.7
Other associates	31	31	-1.9	112	150	-25.3
Group share of ordinary results	409	519	-21.3	1,570	2,454	-36.0
Group share of exceptional items	-	-	-	-	7	nm
Group share of pre-tax profit	409	519	-21.3	1,570	2,461	-36.2
Group share of tax expense	(86)	(119)	-27.9	(145)	(638)	-77.3
Group share of post-tax profit	323	401	-19.4	1,425	1,823	-21.8
Excluding Airtel and BTL						
Group share of pre-tax profit	564	528	6.8	2,127	2,262	-5.9
Group share of tax expense	(133)	(120)	11.3	(516)	(522)	-1.3
Group share of post-tax profit	430	408	5.5	1,612	1,739	-7.3

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Notes:

- (1) The accounts of the associates are prepared based on local accounting standards. Where applicable and material, the accounting policies of the associates have been restated for compliance with the Group's accounting policies.
- (2) Share of results excluded the Group's share of the associates' material one-off items which have been classified as exceptional items of the Group.
- (3) As at 31 March 2019, Bharti Telecom Limited ("BTL") holds an equity interest of 50.1% in Airtel. In BTL's standalone books, its loss mainly comprised of interest charges on its borrowings.
- (4) Singtel holds an equity interest of 21.0% in Intouch which has an equity interest of 40.5% in AIS.
- (5) Singtel ceased to own units in NetLink Trust following the sale to NetLink NBN Trust in July 2017 but continues to have an interest of 24.79% in NetLink NBN Trust, the holding company of NetLink Trust. The share of results included Singtel's amortisation of deferred gain of S\$5 million (Q4 FY2018: S\$5 million) for the current quarter and S\$20 million (FY2018: S\$32 million) for the year ended 31 March 2019 on assets previously transferred to NetLink Trust, but excluded the fair value adjustments recorded by NetLink NBN Trust in respect of its acquisition of units in NetLink Trust.
- (6) Include the share of results of Singapore Post Limited.
- (7) Shows the post-tax underlying profit contribution of the associates to the Group's underlying net profit.
- (8) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2018.

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

Pre-tax and post-tax underlying profit contributions from the associates fell 19% and 17% respectively. If the regional currencies had remained stable from the last corresponding quarter, the associates' pre-tax and post-tax underlying profit contributions would have declined by 21% and 19% respectively mainly due to underlying net losses at Airtel on intense competition in India. Excluding Airtel, pre-tax and post-tax underlying profit contributions from associates would have increased by 6.8% and 5.5% respectively.

The associates' underlying profit contributions contributed 47% to the Group's underlying net profit, down 2 percentage points from the same quarter last year.

Telkomsel's operating revenue and EBITDA grew marginally as the strong growth in data and digital revenues was partially offset by steep declines in voice and SMS. AIS recorded lower earnings as the increase in service revenue was offset by higher marketing spend, lower handset sales margin and increased depreciation and amortisation charges. Globe recorded another quarter of strong double-digit growth in earnings driven by higher revenue and EBITDA.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

PT Telekomunikasi Selular (“Telkomsel”)

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with 197,500 radio base stations (of which 75% 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 8,400 4G radio base stations.

Operating revenue for the quarter grew marginally by 1% year-on-year. While data and digital services grew a strong 30%, voice and SMS revenues fell a steep 24% as more customers switched to OTT apps on increased penetration of smartphones. EBITDA also rose 1% after accounting for higher operation and maintenance costs from accelerated deployment of 4G network and increased personnel expenses.

Telkomsel's pre-tax profit grew 4% in Indonesian Rupiah terms. The Group's share of Telkomsel's pre-tax profit grew 2.3% after accounting for 1% depreciation of the Indonesian Rupiah.

On a post-tax basis, Telkomsel's profit contribution for the quarter was up 2.0% and constituted 32% of the Group's underlying net profit, up from 27% in the last corresponding quarter.

Compared to the preceding quarter, revenue declined 6% on seasonality and a shorter quarter. Consequently, EBITDA declined 5%.

Telkomsel's total mobile customer base grew 5.7 million from a quarter ago, a reversal from the declines recorded for the past 4 quarters. The total mobile customer base decreased 24 million from a year ago to 169 million (including 111 million of data customers) as at 31 March 2019.

Advanced Info Service (“AIS”)

AIS, the largest mobile communications operator in Thailand, is listed on the Stock Exchange of Thailand. It provides mobile services on 2G, 3G and 4G networks. AIS continues to maintain its mobile market leadership position and is the largest network coverage operator in Thailand.

In the current quarter, AIS' service revenue (excluding interconnect and equipment rental) rose 3% driven by higher 4G penetration as well as healthy growth in fixed broadband subscribers and enterprise segments.

EBITDA was stable as service revenue growth was offset by higher marketing spend and lower handset sales margin.

Including higher depreciation charges from network investments and new spectrum amortisation, AIS' pre-tax profit declined 6% in Thai Baht terms. With 2% appreciation of the Thai Baht against the Singapore Dollar, the Group's share of AIS' pre-tax profit declined by 3.8% to S\$91 million.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

On a post-tax basis, AIS' profit contribution for the quarter fell 3.4% to S\$76 million and contributed 11% to the Group's underlying net profit, up 1 percentage point from the last corresponding quarter.

Against the preceding quarter, service revenue was stable while EBITDA grew 5% on lower selling and administrative expenses.

AIS continued to focus on the acquisition and retention of quality customers in its postpaid segment. As at 31 March 2019, its mobile customer base grew by 0.3 million to 41 million, compared to 0.5 million added in the preceding quarter. Compared to a year ago, its mobile customer base expanded by 1.4 million. The number of postpaid customers increased by 0.9 million from a year ago as AIS pushed for migration from prepaid to postpaid.

Airtel Group

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 18 countries across Asia and Africa, offering telecom services under wireless and fixed line technology, national and international long distance connectivity, digital TV and integrated telecom solutions to its enterprise customers. Airtel Money extends its product portfolio to offer convenience of payments and money transfers on mobile phones. Airtel also owns telecom tower infrastructure through its subsidiary and joint venture company.

Airtel has voluntarily reported consolidated financial statements based on IFRS in the Indian Stock Exchanges since April 2010. With effect from 1 April 2016, Airtel adopted Indian Accounting Standards as required by the local authorities. Consequently, Airtel ceased to report consolidated financial statements based on IFRS in the Indian Stock Exchanges. The consolidated financial statements of Airtel used for equity accounting by Singtel continued to be based on IFRS.

On 8 February 2019, Airtel's wholly owned subsidiary, Airtel Networks Kenya Ltd., signed an agreement with Telkom Kenya Limited to merge its operations. The finalisation and closure of the transaction is subject to approval by the relevant authorities.

On 3 May 2019, Airtel launched a rights issue of approximately 1.1 billion fully paid up equity shares at a price of INR 220 per share aggregating approximately INR 249 billion (~US\$3.5 billion). The rights issue will close on 17 May 2019 and is expected to complete in early June 2019. In view of regulatory restrictions in India, Singtel has not provided any extensive management discussion and analysis of Airtel's results for this quarter.

On 7 May 2019, Airtel announced an agreement with Hughes Communications India Ltd. to combine their VSAT operations in India. The transaction is subject to approvals by the relevant authorities.

Airtel recorded some one-off items this quarter. The net exceptional gains comprised mainly one-time gain from write-back of accruals on re-assessment of levies partially offset by other charges. Including the net exceptional gains, Airtel registered consolidated net profit growth of 24% to INR 1.07 billion (~S\$26 million) this quarter.

Consistent with prior quarters, Airtel's net exceptional gains have been classified under exceptional items of the Group (see page 16).

SECTION 5 : ASSOCIATES/ JOINT VENTURES

The Group's share of Airtel's post-tax loss (excluding its net exceptional gains) this quarter was S\$90 million (Q4 FY2018: post-tax profit of S\$8 million) mainly on aggressive price competition in India. The Group's share of BTL's net loss of S\$9 million comprised mainly of net finance expense. On an aggregate basis, total share of post-tax losses of Airtel Group and BTL amounted to S\$98 million, compared to a post-tax loss of S\$7 million in the same quarter last year.

Globe Telecom, Inc ("Globe")

Globe is listed on the Philippine Stock Exchange.

Globe continued to register strong growth this quarter. Service revenue was up 13% year-on-year mainly driven by sustained growth in data revenue from increased demand for internet services and continued expansion of mobile networks. Consequently, Globe registered double-digit growth of 22% in EBITDA.

After including higher depreciation charges and share of equity losses from its associates, Globe's pre-tax profit grew 46% in Philippine Peso terms. With 1% appreciation of the Philippine Peso, the Group's share of Globe's pre-tax profit contribution was up a robust 48% to S\$120 million.

On a post-tax basis, Globe contributed S\$82 million or 12% of the Group's underlying net profit, up 5 percentage points from the last corresponding quarter.

Against the preceding quarter, Globe's EBITDA grew 24% mainly on service revenue growth of 3% from data services as well as lower staff costs and selling expenses as the preceding quarter's expenses had included some year end accruals.

As at 31 March 2019, Globe's total mobile customer base expanded by 9.4 million this quarter, up from 8.7 million added in the preceding quarter. Compared to a year ago, its mobile customer base was up 20 million or 32% due partly to the extension of the prepaid load expiry from 3 months to 12 months.

Intouch Holdings ("Intouch")

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

The Group's share of Intouch's net profit for the quarter declined 18% to S\$26 million on lower contribution from AIS and absence of disposal gain on sale of an investment in the corresponding quarter last year. After including amortisation of acquired intangibles of S\$6 million (Q4 FY2018: S\$6 million), Intouch's post-tax profit contribution fell 22% to S\$21 million which constituted 3% (Q4 FY2018: 3%) of the Group's underlying net profit.

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 Financial Reporting Standards (International) (“**SFRS(I)**”) and is not intended to replace the financial statements prepared in accordance with SFRS(I). However, since the associates are not consolidated on a line-by-line basis, proportionate information is provided as supplemental data to facilitate a better appreciation of the relative contribution from the Group’s operations in Australia, Singapore and other regional markets.

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Proportionate operating revenue						
Group operating revenue						
Optus	2,222	2,228	-0.3	9,006	9,033	-0.3
Singapore	1,719	1,700	1.1	6,629	6,599	0.5
Other overseas subsidiaries (incl. Amobee & Trustwave)	401	333	20.4	1,736	1,636	6.1
	4,342	4,262	1.9	17,372	17,268	0.6
Proportionate share of associates' revenue						
Regional associates	3,196	3,159	1.2	12,733	13,215	-3.6
Singapore associates ⁽¹⁾	105	126	-16.6	496	547	-9.4
Other overseas associates	13	12	1.6	47	46	2.6
	3,314	3,297	0.5	13,276	13,808	-3.9
Enlarged revenue	7,656	7,559	1.3	30,648	31,076	-1.4
% of overseas revenue to enlarged revenue	76%	76%		77%	77%	

Note:

(1) Contribution for the year was impacted by the reduction in Singtel’s economic interest in NetLink NBN Trust in July 2017.

Overseas revenue remained stable at 76% of enlarged revenue for the quarter.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Group EBITDA						
Optus	722	731	-1.3	2,670	2,856	-6.5
Singapore	527	566	-6.8	2,347	2,460	-4.6
Other overseas subsidiaries (incl. Amobee & Trustwave)	(82)	(66)	24.3	(324)	(265)	22.2
	1,166	1,230	-5.2	4,692	5,051	-7.1
Proportionate share of associates' EBITDA ⁽¹⁾						
Regional associates	1,391	1,407	-1.1	5,302	5,866	-9.6
Singapore associates ⁽²⁾	33	33	0.9	124	176	-29.9
Other overseas associates	4	8	-49.4	40	36	9.4
	1,428	1,448	-1.3	5,465	6,078	-10.1
Total proportionate EBITDA ⁽¹⁾	2,595	2,678	-3.1	10,157	11,129	-8.7
Overseas as a % to total proportionate EBITDA	78%	78%		76%	76%	
Contributions to total proportionate EBITDA						
Regional associates	54%	53%		52%	53%	
Australia	28%	27%		26%	26%	
Singapore	22%	22%		24%	24%	
Others	-3%	-2%		-3%	-2%	
	100%	100%		100%	100%	

Notes:

- (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.
- (2) Contribution for the year was impacted by the reduction in Singtel's economic interest in NetLink NBN Trust in July 2017.

Through its investments in key market overseas, the Group has diversified its earnings base. Contributions from overseas operations remained at 78% of Group's total proportionate EBITDA.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Number of mobile customers (000s)	Total Number			Proportionate Share ⁽¹⁾		
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Dec 2018	31 Mar 2018
Singtel	4,195	4,183	4,085	4,195	4,183	4,085
Optus	10,281	10,247	10,106	10,281	10,247	10,106
	14,476	14,430	14,191	14,476	14,430	14,191
Regional Associates						
Airtel						
- India	ND	284,224	304,192	ND	112,297	120,186
- Africa	ND	97,922	89,262	ND	33,225	35,267
- South Asia	ND	2,510	2,268	ND	992	897
	ND	384,656	395,722	ND	146,514	156,350
Telkomsel	168,642	162,988	192,752	59,025	57,046	67,463
AIS	41,491	41,169	40,050	9,676	9,601	9,340
Intouch's share of AIS	NM	NM	NM	3,523	3,495	3,400
Globe	83,490	74,094	63,263	39,307	34,883	29,816
	293,623	662,907	691,787	111,531	251,539	266,369
Group (excluding Airtel)	308,099	292,681	310,256	126,007	119,455	124,210

"ND" denotes not disclosed (in view of Airtel's rights issue).

"NM" denotes not meaningful.

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.

Excluding Airtel, the Group's combined mobile customer base was up 15 million or 5.3% from a quarter ago to 308 million as at 31 March 2019.

OTHER INFORMATION

In this quarter, Singtel VIA expanded its market reach via new partnerships with Thailand's Kasikornbank's K Plus, Tokyo-based NETSTARS and Axiata Digital's Boost Malaysia, allowing customers to make payments through their local mobile wallets.

On gaming, Singtel announced partnership with South Korea's SK Telecom to cooperate and leverage each other's assets and capabilities to grow gaming and esports in Asia. The collaboration will see both companies work together on developing and providing digital gaming content, solutions and services for gamers in the region.

In March 2019, Singtel announced a sponsorship for Singapore esports team in Southeast Asian Games (SEA Games) and launched two new gaming leagues to help cultivate wider interest in gaming.

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

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 S\$ m	2018 S\$ m		2019 S\$ m	2018 S\$ m	
Telkomsel ⁽²⁾						
- final dividend FY 2017 / 2016	-	-	-	954	724	31.8
- special dividend FY 2016	-	-	-	-	294	nm
	-	-	-	954	1,018	-6.2
AIS ⁽³⁾						
- interim dividend FY 2018 / FY 2017	-	-	-	109	99	10.6
- final dividend FY 2017 / 2016	-	-	-	102	119	-13.8
	-	-	-	211	217	-2.7
Globe ⁽⁴⁾						
- quarterly dividend FY 2018/ FY 2017/ FY 2016	36	37	-1.1	144	153	-5.7
Intouch ⁽⁵⁾						
- interim dividend FY 2018 / FY 2017	-	-	-	43	34	26.3
- final dividend FY 2017/ FY 2016	-	-	-	35	44	-19.0
	-	-	-	79	78	0.9
Airtel ⁽⁶⁾						
- interim dividend FY 2019/ FY 2018	-	35	nm	29	35	-18.8
- final dividend FY 2018/ FY 2017	-	-	-	30	13	137.0
	-	35	nm	59	48	22.5
Regional associates	36	72	-49.7	1,447	1,513	-4.4
Other associates						
NetLink NBN Trust/ NetLink Trust ⁽⁷⁾	-	-	-	55	76	-27.6
Southern Cross ⁽⁸⁾	-	19	nm	13	30	-56.5
Others	5	5	-1.9	34	28	19.7
	5	25	-78.8	102	134	-24.1
Total	41	96	-57.1	1,549	1,648	-6.0

Notes:

- (1) The cash dividends/distributions received from overseas associates and joint ventures as stated here are before related tax payments.
- (2) Telkomsel declared a full year ordinary dividend of 95% on net profit for FY2017. Telkomsel declared interim dividend for FY2018, the Group received its share of dividend of S\$400 million over two tranches in April 2019 and May 2019.
- (3) AIS declared a full year dividend of 71% on net profit for FY2018 (FY2017: 70%). Dividends are paid twice a year, with an interim dividend distributed from its first half year results and a final dividend distributed from its second half year results. On 28 March 2019, AIS declared a final dividend of THB 3.30 per share for FY2018. The Group received its share of final dividend of S\$98 million in April 2019.
- (4) Globe's dividend policy is to pay 60%-75% of prior year's core net profit. Globe paid its first quarterly dividend of PHP 22.75 per common share for FY2018 in March 2019. The Group's share of this dividend was S\$36 million. Globe will pay its next quarterly dividend of PHP 22.75 per common share for FY2018 in end May 2019. The Group's share of this dividend is approximately S\$36 million.
- (5) Intouch's policy is to pass through dividends received from its associates and subsidiaries after the deduction of operating expenses, subject to its financial needs or unless the payment of dividends would materially affect its operations. On 3 April 2019, Intouch declared a final dividend of THB 1.17 per share for FY2018. The Group received its share of dividends of S\$34 million in April 2019.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

- (6) Airtel does not have a fixed dividend policy. The Group received its share of the final dividend from its direct stake of 15.01% in August 2018. Airtel declared an interim dividend of INR 2.5 per common share in respect of its net profit for FY2019. The Group received its share of the interim dividend of S\$29 million in November 2018.
- (7) NetLink NBN Trust's policy is to distribute 100% of its cash available for distribution (CAFD), which includes distributions from its wholly-owned subsidiary NetLink Trust ("NLT"). NLT's distribution policy is to distribute at least 90% of its distributable income to NetLink NBN Trust after setting aside reserves and provisions for, amongst others, future capital expenditure, debt repayment and working capital as may be required. Distributions by NetLink NBN Trust will be made on a semi-annual basis determined for the six month period ending September and March. On 13 May 2019, NetLink NBN Trust declared a distribution of S\$0.0244 per unit for its distribution period from 1 October 2018 to 31 March 2019 which will be payable on 3 June 2019. The Group's share of this distribution is approximately S\$24 million.
- (8) Southern Cross Cables Holdings Limited, part of the Southern Cross consortium, does not have a fixed dividend policy.

The decline in total dividends from the associates was attributable to timing of interim dividend from Airtel and absence of dividend from Southern Cross.

KEY OPERATIONAL DATA

	Airtel ⁽¹⁾	Telkomsel	AIS	Intouch	Globe
Singtel's investment:					
Year of initial investment	2000	2001	1999	2016	1993
Effective economic interest (%)	39.5%	35.0%	23.3% ⁽²⁾	21.0%	47.1% ⁽³⁾
Investment to date	S\$4.68 bil ⁽⁴⁾	S\$1.93 bil	S\$1.20 bil	S\$1.59 bil	S\$1.02 bil
Closing market share price ⁽⁵⁾	INR 333	NA	THB 184 ⁽⁶⁾	THB 58 ⁽⁶⁾	PHP 1,938
Market capitalisation					
- Total	S\$26.09 bil	NA	S\$23.36 bil	S\$7.87 bil	S\$6.65 bil
- Singtel holding	S\$10.31 bil	NA	S\$5.45 bil	S\$1.65 bil	S\$3.13 bil
Operational Performance :					
Mobile penetration rate ⁽⁷⁾	ND	123%	139%	NM	138%
Market share, 31 March 2019 ⁽⁷⁾	ND	51.1%	45.2%	NM	56.6%
Market share, 31 December 2018 ⁽⁸⁾	28.9%	50.3%	45.0%	NM	55.1%
Market position ⁽⁹⁾	ND	#1	#1	NM	#1
Mobile customers ('000)					
- Aggregate	ND	168,642	41,491	NM	83,490
- Proportionate	ND	59,025	9,676	3,523	39,307
Growth in mobile customers (%) ⁽¹⁰⁾	ND	-13%	3.6%	NM	32%
Credit ratings					
- Sovereign (Moody's/ S&P Global)	Baa2/BBB-	Baa2/BBB-	Baa1/BBB+	Baa1/BBB+	Baa2/BBB
- Company (Moody's/ S&P Global)	Ba1/BBB-	Baa1/BBB	NA/BBB+	NA	NA

"ND" denotes not disclosed (in view of Airtel's rights issue).

"NA" denotes not applicable.

"NM" denotes not meaningful.

Notes:

(1) The market share as at 31 December 2018 pertained to India market only.

(2) Based on direct equity interest only.

(3) Singtel has 21.5% interest in Globe's voting shares.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

- (4) Excludes Singtel's direct equity investment in Airtel Africa. In October 2018, Singtel completed its subscription of 168.4 million shares in Airtel Africa Limited for a consideration of S\$344 million (US\$250 million). This represented 5.7% interest in Airtel Africa Limited which Singtel has accounted as a 'Fair Value through Other Comprehensive Income' investment in the statement of financial position.
- (5) Based on closing market price in local currency as of 31 March 2019.
- (6) Based on local market price quoted on the Stock Exchange of Thailand.
- (7) Based on actual data or latest data available as of 31 March 2019.
- (8) Based on actual data.
- (9) Based on number of mobile customers and based on actual data or latest data available as of 31 March 2019.
- (10) Compared against 31 March 2018 and based on aggregate number of mobile customers.

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

SECTION 6 : PRODUCT INFORMATION

SINGAPORE MOBILE (PRODUCT VIEW)

	Quarter			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Mobile revenue (S\$'M) ⁽¹⁾	614	696	607	2,510	2,511	**
Mobile service revenue (S\$'M) ⁽²⁾	390	410	409	1,632	1,717	-4.9
Number of mobile subscribers (000s)						
Prepaid	1,621	1,641	1,636	1,621	1,636	-0.9
Postpaid	2,574	2,542	2,449	2,574	2,449	5.1
Total	4,195	4,183	4,085	4,195	4,085	2.7
Number of 4G mobile subscribers (000s)	3,154	3,101	2,869	3,154	2,869	9.9
Average revenue per subscriber per month ⁽³⁾⁽⁴⁾ (S\$ per month)						
Prepaid	17	18	18	18	18	-2.2
Postpaid	41	43	45	43	48	-9.4
Blended	32	33	34	33	36	-6.5
Data services as % of ARPU ⁽⁵⁾	65%	64%	62%	64%	61%	
Postpaid external churn per month ⁽⁶⁾	0.8%	0.9%	0.8%	0.9%	0.9%	
Singapore mobile penetration rate ⁽⁷⁾	150%	149%	149%	150%	149%	
Market share ⁽⁷⁾						
Prepaid	54.3%	55.3%	50.5%	54.3%	50.5%	
Postpaid	47.4%	47.6%	47.8%	47.4%	47.8%	
Overall	49.9%	50.3%	48.9%	49.9%	48.9%	

“***” denotes less than +/- 0.05%.

Notes:

- (1) This comprises mobile service revenue, sales of equipment and handset leasing.
- (2) This is determined net of bill rebates and prepaid sales discount, and includes mobile revenue earned from international telephone calls and broadband bundles.
- (3) Based on average number of subscribers, calculated as the simple average of opening and closing number of subscribers.
- (4) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts. On a pre *SFRS(I)* 15 basis, postpaid ARPU would be S\$57 and S\$61 for the quarters ended 31 March 2019 and 31 March 2018 respectively.
- (5) Includes revenue from SMS, *SEND, MMS and other data services.
- (6) Calculated by expressing the number of postpaid subscribers who deactivate or disconnect their service (both voluntary and the Company's initiated churn) as a percentage of average number of subscribers.
- (7) The market share data as at 31 March 2019 was based on Telco operators' published results. The other market statistics were based on IMDA's latest available published statistics as of 31 January 2019.

SECTION 6 : PRODUCT INFORMATION

AUSTRALIA MOBILE (PRODUCT VIEW)

	Quarter			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Optus' mobile revenue (A\$'M) ⁽¹⁾	1,506	1,652	1,383	5,966	5,405	10.4
Optus' mobile service revenue (A\$'M)	956	942	959	3,803	3,837	-0.9
Optus' mobile outgoing service revenue (A\$'M)	902	888	907	3,586	3,626	-1.1
Number of mobile subscribers (000s)						
Prepaid Handset	3,423	3,532	3,705	3,423	3,705	-7.6
Postpaid Handset	5,683	5,557	5,304	5,683	5,304	7.2
Mobile Broadband ⁽²⁾	1,175	1,159	1,097	1,175	1,097	7.1
Total	10,281	10,247	10,106	10,281	10,106	1.7
Number of 4G mobile subscribers (000s) ⁽³⁾	6,703	6,557	6,332	6,703	6,332	5.9
ARPU per month (A\$) ⁽⁴⁾						
Prepaid Handset	18	18	20	19	20	-8.4
Postpaid Handset	42	41	43	42	44	-4.9
Mobile Broadband ⁽²⁾	20	20	21	21	21	-2.0
Blended	31	31	32	31	32	-4.2
Data revenue as a % of service revenue	78%	79%	80%	78%	80%	
Retail postpaid churn rate per month ⁽⁵⁾	1.5%	1.4%	1.5%	1.6%	1.5%	

Notes:

- (1) This comprises mobile service revenue (both outgoing and incoming), sales of equipment and handset leasing.
- (2) Defined as data-only SIMs and include customers on both prepaid and postpaid plans. Postpaid plans incur a monthly subscription fee.
- (3) Defined as 4G handsets on the Optus network.
- (4) Based on average number of customers, calculated as the simple average of opening and closing number of customers. On a pre *SFRS(I) 15* and DRP service credit basis, postpaid ARPU would be A\$57 and A\$59 for the quarters ended 31 March 2019 and 31 March 2018 respectively.
- (5) Churn calculation excludes customers transferring from postpaid to prepaid.

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

	Quarter			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Singtel TV revenue ⁽¹⁾ (S\$'M)	55	54	56	253	241	5.0
Average revenue per residential TV customer per month ⁽¹⁾ (S\$ per month)	41	41	41	42	41	2.9
Number of residential TV customers (000s)	381	381	395	381	395	-3.5

Note:

(1) Excluding 2018 FIFA World Cup revenue, Singtel TV revenue would be S\$219 million and ARPU would be S\$41 for the year ended 31 March 2019.

SINGAPORE CONSUMER FIXED

	Quarter			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Singapore Consumer Fixed revenue (S\$'M) ⁽¹⁾⁽²⁾	139	140	143	597	587	1.6
Number of households on triple/ quad play services (000s) ⁽³⁾	517	515	509	517	509	1.6

Notes:

- (1) Singapore Consumer Fixed revenue comprises fixed broadband, fixed voice, Singtel TV and broadband and SmartHome equipment in the residential segment only and does not include mobile.
- (2) Excluding 2018 FIFA World Cup revenue, Singapore Consumer Fixed revenue would be S\$565 million for the year ended 31 March 2019.
- (3) 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			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Internet						
Number of fixed broadband lines (000s) ⁽¹⁾	630	628	619	630	619	1.8
<i>Singapore fixed broadband penetration rate</i> ⁽²⁾	94.4%	93.5%	94.7%	94.4%	94.7%	
<i>Fixed broadband market share</i> ⁽³⁾⁽⁴⁾	42.3%	42.4%	42.0%	42.3%	42.0%	
<i>Fibre broadband market share</i> ⁽⁴⁾	44.9%	45.8%	47.1%	44.9%	47.1%	
International Telephone (for both fixed & mobile calls)						
International telephone outgoing minutes (m mins) (excl Malaysia)	434	429	496	1,874	2,175	-13.8
Average collection rate - net basis (S\$/ min) (excl Malaysia)	0.086	0.088	0.092	0.087	0.092	-5.4
National Telephone						
Fixed working lines (000s) ⁽⁵⁾						
Residential	747	751	769	747	769	-2.9
Business	594	609	645	594	645	-7.9
Total	1,341	1,360	1,414	1,341	1,414	-5.2
<i>Singapore fixed line penetration rate</i> ⁽⁶⁾	34.9%	34.9%	35.5%	34.9%	35.5%	
<i>Singapore fixed working lines ('000s)</i> ⁽⁶⁾	1,958	1,967	1,992	1,958	1,992	
<i>Fixed line market share</i> ⁽⁶⁾	68.5%	69.1%	71.0%	68.5%	71.0%	

Notes:

(1) Include ADSL and fibre lines.

(2) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IMDA). The market penetration rate as at 31 March 2019 was based on IMDA's latest available published statistics as of 31 January 2019.

(3) Based on total Singtel ADSL and fibre lines divided by total ADSL, cable and fibre lines in the population.

(4) The market share data as at 31 March 2019 was based on IMDA's latest available published statistics as of 31 January 2019.

(5) Fixed working lines refer to Direct Exchange Lines (DEL) and Home Digital Lines.

(6) The market share data as at 31 March 2019 was based on management's estimates. The other market statistics as at 31 March 2019 were based on IMDA's latest available published statistics as of 31 December 2018.

SECTION 6 : PRODUCT INFORMATION

Australia	Quarter			Year		YOY Chge %
	31 Mar 2019	31 Dec 2018	31 Mar 2018	31 Mar 2019	31 Mar 2018	
Mass Market Fixed						
On-net ARPU (A\$) ⁽¹⁾						
Broadband ⁽²⁾⁽³⁾	55	57	56	56	56	-0.1
Telephony customers ('000)						
HFC ⁽⁴⁾	358	387	402	358	402	-10.8
ULL ⁽⁵⁾	247	273	327	247	327	-24.4
On-net	606	660	729	606	729	-16.9
Resale	28	31	43	28	43	-34.6
NBN	608	560	456	608	456	33.3
Off-net	635	591	499	635	499	27.5
TV customers (000s)	410	513	491	410	491	-16.5
Broadband customers (000s)						
On-net						
HFC broadband	353	381	396	353	396	-10.8
ULL broadband ⁽⁵⁾	255	282	339	255	339	-24.9
Business grade broadband	23	24	24	23	24	-5.5
	631	686	759	631	759	-16.9
Off-net						
Broadband	17	21	32	17	32	-46.6
NBN	590	540	453	590	453	30.3
Total Broadband customers	1,238	1,247	1,245	1,238	1,245	-0.5

Notes:

- (1) Per month, based on average number of HFC and ULL customers.
- (2) Comparatives have been restated to be consistent with the current quarter/ year.
- (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.

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 Standards (International).
“ATO”	Australian Taxation Office.
“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, and does not include the share of pre-tax results of associates.
“EBITDA margin”	Ratio of EBITDA over operating revenue.
“EPS”	Earnings per share.
“Free Cash Flow”	Free cash flow refers to cash flow from operating activities less cash capital expenditure.
“ICT”	Infocomm Technology.
“IoT”	Internet of Things.
“IMDA”	Info-communications Media Development Authority of Singapore.
“IP VPN”	Internet Protocol Virtual Private Network.
“MOU”	Minutes of use per subscriber.
“NA”	Not applicable.
“ND”	Not disclosed.
“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.
“OTT”	Over-the-top.
“Regional associates”	Comprises Airtel, AIS, Intouch, Telkomsel and Globe.
“SFRS(I)”	Singapore Financial Reporting Standards (International).
“SMS”	Short message service.
“SME”	Small and medium-sized enterprises.
“STAI”	Singapore Telecom Australia Investments Pty Limited, which has 100% equity interest in Optus.
“Singapore”	The term refers to the Group's operations excluding Optus and the associates and 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 Fourth Quarter Ended 31 March 2019

	Quarter							YOY Chge %
	31 Mar							
	2019			2019		2019	2018	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	2,120	-	-	2,120	2,222	4,342	4,262	1.9
Operating expenses	(1,710)	-	-	(1,710)	(1,528)	(3,238)	(3,089)	4.8
	410	-	-	410	694	1,104	1,172	-5.8
Other income	35	-	-	35	27	63	58	7.4
EBITDA	445	-	-	445	722	1,166	1,230	-5.2
- EBITDA margin	21.0%	-	-	21.0%	32.5%	26.9%	28.9%	
Share of associates' pre-tax profits								
Regional associates	-	389	-	389	-	389	488	-20.4
Other associates	-	31	-	31	-	31	31	-1.9
	-	419	-	419	-	419	519	-19.3
EBITDA and share of associates' pre-tax profits	445	419	-	864	722	1,586	1,750	-9.4
Depreciation & amortisation	(201)	-	-	(201)	(360)	(561)	(562)	-0.1
EBIT	243	419	-	663	362	1,025	1,188	-13.8
Net finance expense								
- net interest expense	(55)	-	-	(55)	(44)	(99)	(93)	6.2
- other finance income	6	-	-	6	*	6	6	1.7
	(49)	-	-	(49)	(44)	(93)	(87)	6.6
Profit before EI and tax	195	419	-	614	318	932	1,101	-15.4
Taxation								
- current and deferred taxes	(39)	-	-	(39)	(98)	(137)	(125)	9.8
- share of taxes of associates	-	(89)	-	(89)	*	(88)	(119)	-25.6
- withholding taxes ⁽¹⁾	-	-	(15)	(15)	-	(15)	(39)	-60.3
	(39)	(89)	(15)	(143)	(98)	(241)	(282)	-14.6
Profit/ (Loss) after tax	156	331	(15)	471	220	691	819	-15.6
Minority interests	6	-	-	6	-	6	2	258.8
Underlying net profit/ (loss)	162	331	(15)	477	220	697	821	-15.0
(exclude Airtel and BTL) ⁽²⁾	162	429	(15)	576	220	796	828	-3.9
Exceptional items (post-tax)	(1)	77	-	76	*	76	(51)	nm
Net profit/ (loss)	161	408	(15)	553	220	773	770	0.4
(exclude Airtel and BTL) ⁽²⁾	161	407	(15)	552	220	772	777	-0.6

Notes:

(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**.

(2) The profits were adjusted to exclude results of Airtel and BTL.

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

GROUP SUMMARY INCOME STATEMENTS
For The Year Ended 31 March 2019

	Year							YOY Chge %
	31 Mar							
	2019			2019		2019	2018	
Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m		
Operating revenue	8,365	-	-	8,365	9,006	17,372	17,268	0.6
Operating expenses	(6,435)	-	-	(6,435)	(6,470)	(12,905)	(12,476)	3.4
Other income	1,931	-	-	1,931	2,537	4,467	4,792	-6.8
	92	-	-	92	133	225	259	-13.2
EBITDA	2,022	-	-	2,022	2,670	4,692	5,051	-7.1
- EBITDA margin	24.2%	-	-	24.2%	29.6%	27.0%	29.2%	
Share of associates' pre-tax profits								
Regional associates	-	1,424	-	1,424	-	1,424	2,304	-38.2
Other associates	-	112	-	112	*	112	150	-25.3
- ordinary operations	-	1,536	-	1,536	*	1,536	2,454	-37.4
- exceptional items	-	-	-	-	-	-	7	nm
	-	1,536	-	1,536	*	1,536	2,461	-37.6
EBITDA and share of associates' pre-tax profits	2,022	1,536	-	3,558	2,670	6,228	7,511	-17.1
Depreciation & amortisation	(753)	-	-	(753)	(1,469)	(2,222)	(2,250)	-1.2
EBIT	1,269	1,536	-	2,805	1,201	4,006	5,261	-23.9
Net finance expense								
- net interest expense	(193)	-	-	(193)	(192)	(385)	(374)	2.9
- other finance income	14	-	13	27	2	30	29	3.1
	(179)	-	13	(166)	(189)	(355)	(345)	2.9
Profit before EI and tax	1,091	1,536	13	2,639	1,012	3,651	4,917	-25.7
Taxation								
- current and deferred taxes	(217)	-	-	(217)	(305)	(522)	(528)	-1.1
- share of taxes of associates	-	(153)	-	(153)	-	(153)	(638)	-76.0
- withholding taxes ⁽¹⁾	-	-	(174)	(174)	-	(174)	(178)	-2.3
	(217)	(153)	(174)	(545)	(305)	(850)	(1,344)	-36.8
Profit/ (Loss) after tax	873	1,383	(161)	2,095	707	2,801	3,572	-21.6
Minority interests	23	-	-	23	-	23	21	10.9
Underlying net profit/ (loss)	897	1,383	(161)	2,118	707	2,825	3,593	-21.4
(exclude Airtel and BTL) ⁽²⁾	897	1,554	(161)	2,290	707	2,996	3,510	-14.6
Exceptional items (post-tax)	145	180	2	327	(57)	270	1,880	-85.7
Net profit/ (loss)	1,041	1,563	(159)	2,445	650	3,095	5,473	-43.5
(exclude Airtel and BTL) ⁽²⁾	1,041	1,529	(159)	2,411	650	3,060	5,401	-43.3

Notes:

(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**.

(2) The profits were adjusted to exclude results of Airtel and BTL.

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

GROUP SUMMARY INCOME STATEMENTS

For The Fourth Quarter And Year Ended 31 March 2019

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2019			2019		
	S\$ m	%	%	S\$ m	%	%
Operating revenue	4,342	1.9	5.5	17,372	0.6	3.7
Operating expenses	(3,238)	4.8	8.2	(12,905)	3.4	6.5
	1,104	-5.8	-1.4	4,467	-6.8	-3.6
Other income	63	7.4	11.2	225	-13.2	-9.9
EBITDA	1,166	-5.2	-0.8	4,692	-7.1	-3.9
-EBITDA margin	26.9%			27.0%		
Share of associates' pre-tax profits						
- <i>Telkomsel</i>	296	2.3	4.1	1,128	-17.8	-11.9
- <i>Airtel</i>	(143)	@	@	(511)	nm	nm
- <i>AIS</i>	91	-3.8	-6.1	343	-1.2	-3.4
- <i>Globe</i>	120	47.5	46.2	368	38.5	44.2
- <i>Intouch</i>	25	-20.0	-21.8	96	-6.7	-8.8
Regional associates	389	-20.4	-22.5	1,424	-38.2	-36.7
Other associates	31	-1.9	-1.9	112	-25.3	-25.3
- ordinary operations	419	-19.3	-21.3	1,536	-37.4	-36.0
- exceptional items	-	-	-	-	nm	nm
	419	-19.3	-21.3	1,536	-37.6	-36.2
EBITDA and share of associates' pre-tax profits	1,586	-9.4	-6.9	6,228	-17.1	-14.5
Depreciation & amortisation	(561)	-0.1	4.5	(2,222)	-1.2	2.7
EBIT	1,025	-13.8	-12.3	4,006	-23.9	-21.8
Net finance expense	(93)	6.6	10.6	(355)	2.9	6.2
Profit before EI and tax	932	-15.4	-14.1	3,651	-25.7	-23.8
Taxation	(241)	-14.6	-13.1	(850)	-36.8	-35.8
Profit after tax	691	-15.6	-14.4	2,801	-21.6	-19.3
Minority interests	6	258.8	247.1	23	10.9	10.8
Underlying net profit	697	-15.0	-13.9	2,825	-21.4	-19.1
<i>(exclude Airtel and BTL)</i> ⁽²⁾	796	-3.9	-1.7	2,996	-14.6	-11.8
EI (post-tax)	76	nm	nm	270	-85.7	-85.2
Net profit	773	0.4	2.2	3,095	-43.5	-41.8
<i>(exclude Airtel and BTL)</i> ⁽²⁾	772	-0.6	1.7	3,060	-43.3	-41.6

Notes:

- (1) Assuming constant exchange rates for the Australian Dollar, United States Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2018.
- (2) The profits were adjusted to exclude results of Airtel and BTL.

“@” denotes less than +/- 500%

BUSINESS SEGMENTS

For The Fourth Quarter And Year Ended 31 March 2019

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2019			2019		
	S\$ m	%	%	S\$ m	%	%
Operating revenue						
Group Consumer	2,436	2.4	8.3	9,819	1.1	5.8
Group Enterprise	1,632	-2.7	-1.3	6,329	-2.3	-1.0
Core Business	4,068	0.3	4.3	16,148	-0.2	3.1
Group Digital Life	274	33.4	29.3	1,224	13.3	13.2
Group	4,342	1.9	5.5	17,372	0.6	3.7
EBITDA						
Group Consumer	832	2.5	8.6	3,166	-4.7	-0.3
Group Enterprise	379	-15.7	-14.7	1,695	-9.0	-8.3
Core Business	1,211	-4.0	0.3	4,862	-6.3	-3.2
Group Digital Life	(18)	nm	nm	(92)	78.8	79.1
Corporate	(27)	-11.6	-11.6	(78)	-7.3	-7.3
Group	1,166	-5.2	-0.8	4,692	-7.1	-3.9
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	451	8.5	14.8	1,622	-7.4	-3.4
Group Enterprise	216	-27.2	-26.7	1,080	-14.0	-13.7
Core Business	667	-6.4	-2.5	2,702	-10.1	-7.7
Group Digital Life	(35)	156.3	150.7	(152)	26.2	26.2
Corporate	(28)	-10.4	-10.4	(81)	-5.5	-5.5
Group	605	-9.5	-5.2	2,470	-11.8	-9.2
Group (exclude NBN migration revenues)						
Operating revenue	4,252	0.2	3.7	17,191	0.7	3.8
EBITDA	1,077	-11.2	-7.3	4,512	-7.0	-3.9
EBIT	515	-20.8	-17.5	2,289	-12.0	-9.6
Core Business (exclude NBN migration revenues)						
Operating revenue	3,978	-1.5	2.4	15,968	-0.1	3.2
EBITDA	1,121	-9.8	-6.0	4,681	-6.1	-3.1
EBIT	577	-16.9	-13.9	2,522	-10.1	-7.9
Group Consumer (exclude NBN migration revenues)						
Operating revenue	2,346	-0.7	5.0	9,638	1.3	6.0
EBITDA	742	-6.5	-1.1	2,986	-4.4	**
EBIT	361	-9.3	-4.4	1,441	-7.0	-3.3

Note:

(1) Assuming constant exchange rates for the Australian Dollar and United States Dollar from the corresponding periods ended 31 March 2018.

*** denotes less than +/- 0.05%

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Mar 2019 (Audited) S\$ million	31 Dec 2018 (Unaudited) S\$ million	31 Mar 2018 (Audited) S\$ million
Current assets			
Cash and cash equivalents	513	637	525
Trade and other receivables	5,993	6,064	5,814
Inventories	418	481	397
Derivative financial instruments	155	176	23
	7,078	7,358	6,759
Non-current assets			
Property, plant and equipment	11,050	10,910	11,454
Intangible assets	14,017	14,005	13,969
Associates	2,060	2,026	2,000
Joint ventures	12,858	12,542	12,787
Fair value through other comprehensive income ("FVOCI") investments	647	585	198
Deferred tax assets	277	346	353
Derivative financial instruments	284	329	388
Other non-current assets	644	649	588
	41,837	41,392	41,737
Total assets	48,915	48,750	48,496
Current liabilities			
Trade and other payables	5,817	5,364	5,371
Advance billings	812	740	794
Current tax liabilities	255	302	351
Interim dividend payable	-	1,110	-
Borrowings (unsecured)	1,846	1,669	1,801
Borrowings (secured)	34	30	23
Derivative financial instruments	9	13	69
Net deferred gain ⁽¹⁾	21	21	20
	8,794	9,250	8,429
Non-current liabilities			
Borrowings (unsecured)	8,734	8,892	8,586
Borrowings (secured)	50	49	82
Derivative financial instruments	150	226	277
Advance billings	197	206	222
Net deferred gain ⁽¹⁾	375	389	358
Deferred tax liabilities	515	517	536
Other non-current liabilities	290	292	295
	10,311	10,571	10,355
Total liabilities	19,105	19,820	18,784
Net assets	29,810	28,930	29,712
Share capital and reserves			
Share capital	4,127	4,127	4,127
Reserves	25,711	24,825	25,610
Equity attributable to shareholders of the Company	29,838	28,952	29,737
Minority interests and other reserve	(28)	(22)	(26)
Total equity	29,810	28,930	29,712

Note:

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

SINGAPORE CASH FLOW STATEMENT

For The Fourth Quarter And Year Ended 31 March 2019

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2019	2018	2018	2019	2018	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	195	272	299	1,091	1,271	-14.2
Non-cash items	249	207	244	933	916	1.9
Operating cash flow before working capital changes	443	479	542	2,024	2,186	-7.4
Changes in operating assets and liabilities	383	137	(164)	52	(34)	nm
	826	615	378	2,076	2,153	-3.6
Cash paid to employees under performance share plans	-	*	-	*	(1)	nm
Tax paid on operating activities	(34)	(31)	(92)	(247)	(244)	1.3
Operating cash flow	793	584	286	1,829	1,908	-4.2
Net cash inflow from/ (outflow for) investing activities						
Accrued capital expenditure	(340)	(380)	(118)	(650)	(779)	-16.6
Changes in creditors' balances	203	138	(28)	63	(3)	nm
Cash capital expenditure	(137)	(242)	(146)	(587)	(783)	-25.0
(Net repayment of loan to Optus from STAI)/ Net loan from Optus to STAI ⁽¹⁾	(129)	(137)	-	(11)	1	nm
Dividend received by STAI from Optus ⁽¹⁾	576	633	-	576	633	-9.1
Withholding tax paid on interest received on inter-company loans	(11)	(12)	-	(23)	(26)	-12.7
Payment for purchase of subsidiaries, net of cash acquired	-	-	(6)	(129)	(337)	-61.7
Payment for acquisition of non-controlling interests	-	-	-	(16)	-	nm
Investment in associates	(1)	(539)	(1)	(2)	(539)	-99.6
Investment in venture investments	(57)	(9)	(356)	(437)	(60)	@
Proceeds from disposal of venture investments	1	38	7	15	78	-81.0
Proceeds from disposal of subsidiaries	15	-	*	15	-	nm
Proceeds from disposal of property, plant and equipment	23	*	*	161	143	12.8
Loan repaid by an associate	-	-	-	-	1,101	nm
Proceeds/ Deferred proceeds from disposal of associates	2	7	9	15	1,146	-98.7
Payment for purchase of spectrum	-	-	-	-	(188)	nm
Payment for purchase of other intangibles	(57)	(18)	(8)	(86)	(68)	26.3
Others	(1)	(9)	(3)	4	5	-10.9
	225	(286)	(503)	(505)	1,106	nm
Net cash (outflow for)/ inflow from financing activities						
Net (decrease)/ increase in borrowings	(82)	1,005	221	362	(985)	nm
Net interest paid on borrowings and swaps	(48)	(41)	(61)	(193)	(184)	4.8
Settlement of swap for bonds repaid	8	-	(34)	(6)	61	nm
Final dividends paid to shareholders	-	-	-	(1,747)	(1,747)	**
Interim dividend paid to shareholders	(1,110)	(1,110)	-	(1,110)	(1,110)	**
Special dividend paid to shareholders	-	(490)	-	-	(490)	nm
Purchase of performance shares	(6)	(6)	(6)	(20)	(18)	8.7
Others	-	-	(5)	(4)	(8)	-42.7
	(1,238)	(642)	116	(2,718)	(4,479)	-39.3
Net decrease in cash balance from Singapore	(220)	(344)	(100)	(1,394)	(1,465)	-4.8
Net decrease in cash balance from Singapore	(220)	(344)	(100)	(1,394)	(1,465)	-4.8
Dividends/ Distributions received from associates	41	96	99	1,549	1,648	-6.0
Withholding tax paid	(6)	(6)	(6)	(147)	(156)	-5.6
Net dividends/ distributions received from associates	36	91	93	1,402	1,492	-6.0
Net (decrease)/ increase in cash and cash equivalents	(184)	(253)	(8)	7	27	-72.1
Singtel cash and cash equivalents at beginning	605	664	612	406	397	2.4
Exchange effects on cash and cash equivalents	*	(5)	*	7	(17)	nm
Singtel cash and cash equivalents at end	421	406	605	421	406	3.6
Singapore free cash flow	656	343	140	1,242	1,126	10.3
Free cash flow from associates' dividends/ distributions	36	91	93	1,402	1,492	-6.0
Cash capex to operating revenue	6%	12%	7%	7%	10%	

Note:

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

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

OPTUS CASH FLOW STATEMENT

For The Fourth Quarter And Year Ended 31 March 2019

	Quarter			Year		YOY Chge %
	31 Mar 2019 A\$ m	31 Mar 2018 A\$ m	31 Dec 2018 A\$ m	31 Mar 2019 2018 A\$ m A\$ m		
Net cash inflow from operating activities						
Profit before exceptional items and tax	329	296	243	1,024	1,103	-7.2
Non-cash items	419	406	422	1,606	1,634	-1.7
Operating cashflow before working capital changes	749	703	665	2,630	2,738	-3.9
Changes in operating assets and liabilities	127	59	(176)	(170)	(102)	65.7
Tax paid	(69)	(56)	(59)	(288)	(197)	46.1
Operating cash flow	807	706	430	2,172	2,438	-10.9
Net cash outflow for investing activities						
Accrued capital expenditure	(345)	(575)	(334)	(1,269)	(1,606)	-21.0
Changes in creditors' balances	(16)	226	63	125	116	8.2
Cash capital expenditure	(361)	(349)	(271)	(1,144)	(1,490)	-23.2
Loan to STAI ⁽¹⁾	(116)	(121)	-	(233)	(248)	-6.2
Repayment of loan by STAI ⁽¹⁾	250	250	-	250	250	**
Payment for purchase of spectrum	-	-	-	(37)	(715)	-94.8
Payment for purchase of other intangibles	(27)	(15)	(31)	(95)	(114)	-16.5
Others	1	1	*	2	3	-12.3
	(253)	(233)	(302)	(1,256)	(2,314)	-45.7
Net cash outflow for financing activities						
Net increase/ (decrease) in borrowings	160	110	(145)	(136)	649	nm
Dividend paid to STAI ⁽¹⁾	(600)	(600)	-	(600)	(600)	**
Net interest paid on borrowings and swaps	(52)	(44)	(50)	(195)	(187)	4.2
Purchase of Singtel shares	-	-	*	(5)	(6)	-12.9
Others	(1)	10	4	(2)	10	nm
	(492)	(524)	(191)	(938)	(134)	@
Net increase/ (decrease) in cash and cash equivalents	62	(52)	(63)	(22)	(10)	114.2
Optus cash and cash equivalents at beginning	34	170	96	118	128	-8.1
Optus cash and cash equivalents at end	96	118	34	96	118	-19.0
Optus free cash flow	446	357	159	1,028	947	8.5
Cash capex to operating revenue	16%	16%	11%	13%	17%	

Note:

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

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

OPTUS FINANCIALS IN AUSTRALIAN DOLLARS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2019 A\$ m	2018 A\$ m		2019 A\$ m	2018 A\$ m	
Operating revenue	2,303	2,149	7.2	9,099	8,612	5.7
Operating expenses	(1,583)	(1,479)	7.0	(6,535)	(6,075)	7.6
Other income	28	35	-20.4	134	186	-28.0
EBITDA - margin	748 32.5%	705 32.8%	6.1	2,699 29.7%	2,724 31.6%	-0.9
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	748	705	6.0	2,699	2,724	-0.9
Depreciation & amortisation	(373)	(363)	2.6	(1,483)	(1,436)	3.3
EBIT	375	342	9.7	1,215	1,288	-5.7
Net finance expense	(46)	(46)	**	(191)	(185)	3.3
Profit before exceptional items and tax	329	296	11.2	1,024	1,103	-7.2
Taxation	(101)	(89)	13.4	(309)	(325)	-5.0
Underlying net profit	228	207	10.3	715	778	-8.1
Exceptional items (post-tax)	*	(3)	nm	(57)	4	nm
Net profit	228	204	11.7	659	782	-15.8

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

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

	As at		
	31 Mar 2019 A\$ m	31 Dec 2018 A\$ m	31 Mar 2018 A\$ m
	Property, plant and equipment (net)	7,857	7,836
Gross debt			
Current debt	1,156	1,160	925
Non-current debt	3,132	3,003	3,449
Gross debt as reported in the statement of financial position	4,289	4,163	4,374
Related net hedging assets	(310)	(348)	(251)
	3,979	3,816	4,123
Less: Cash and bank balances	(96)	(34)	(118)
Net debt	3,883	3,782	4,005

CURRENCY RISK MANAGEMENT & OTHER MATTERS

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

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

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

CREDIT RATINGS

	Singtel	Optus
S&P Global Ratings	A+ (stable)	A (stable)
Moody's Investors Service	A1 (negative)	A2 (negative)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate ⁽¹⁾ for:							
Operating revenue							
<u>SGD</u>							
FY2019	1.0099	0.9997	0.9864	0.9650	1.0048	0.9759	0.9898
FY2018	1.0455	1.0744	1.0403	1.0364	1.0601	1.0384	1.0489
<i>Change (last corresponding period)</i>	-3.4%	-7.0%	-5.2%	-6.9%	-5.2%	-6.0%	-5.6%
Underlying net profit							
<u>SGD</u>							
FY2019	1.0103	0.9980	0.9867	0.9649	1.0044	0.9743	0.9876
FY2018	1.0453	1.0736	1.0386	1.0346	1.0590	1.0366	1.0466
<i>Change (last corresponding period)</i>	-3.3%	-7.0%	-5.0%	-6.7%	-5.2%	-6.0%	-5.6%

1 United States Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate ⁽²⁾ for:							
Operating revenue							
<u>SGD</u>							
FY2019	1.3346	1.3644	1.3722	1.3546	1.3507	1.3646	1.3580
FY2018	1.3919	1.3615	1.3560	1.3070	1.3764	1.3358	1.3565
<i>Change (last corresponding period)</i>	-4.1%	0.2%	1.2%	3.6%	-1.9%	2.2%	0.1%

Notes:

- (1) The monthly income statement of Optus is translated from Australian Dollar to Singapore Dollar based on the average exchange rate for the month. These rates represent the derived weighted average exchange rates for the Australian Dollar for the period to date.
- (2) The income statements of Trustwave, Amobee and HOOQ are translated from United States Dollar to Singapore Dollar based on these derived weighted average exchanges rates for the period to date.

1 Singapore Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
<u>Rupiah</u>							
FY2019	10,417	10,638	10,753	10,417	10,526	10,638	10,526
FY2018	9,554	9,770	10,003	10,309	9,661	10,101	9,901
<i>Change (last corresponding period)</i>	9.0%	8.9%	7.5%	1.0%	9.0%	5.3%	6.3%
<u>Indian Rupee</u>							
FY2019	50.3	51.3	52.4	52.1	50.8	52.1	51.5
FY2018	46.4	47.3	47.6	48.8	46.8	48.3	47.6
<i>Change (last corresponding period)</i>	8.4%	8.5%	10.1%	6.8%	8.5%	7.9%	8.2%
<u>Baht</u>							
FY2019	23.9	24.1	23.9	23.4	24.0	23.6	23.8
FY2018	24.6	24.5	24.3	23.9	24.6	24.1	24.3
<i>Change (last corresponding period)</i>	-2.8%	-1.6%	-1.6%	-2.1%	-2.4%	-2.1%	-2.1%
<u>Peso</u>							
FY2019	39.4	39.2	38.6	38.6	39.2	38.6	38.9
FY2018	35.8	37.3	37.6	39.1	36.4	38.3	37.5
<i>Change (last corresponding period)</i>	10.1%	5.1%	2.7%	-1.3%	7.7%	0.8%	3.7%

EFFECTS OF NEW AND REVISED ACCOUNTING STANDARDS (FY2020)

The new and revised accounting standards effective from 1 April 2019 are not expected to have a significant impact on the financial statements of the Group in the next financial year ending 31 March 2020 except for Singapore Financial Reporting Standard (International) (“**SFRS (I)**”) 16, *Leases*.

SFRS(I) 16 requires lessees to adopt a single lease accounting model with leases recognised as lease liabilities in the statement of financial position, with corresponding “right-of-use” assets. In the income statement, depreciation charges on the ‘right-of-use’ assets and interest expense on the lease liability will be recorded. In the statement of cash flows, lease payments will be classified as financing cashflows. The new standard also specifies new accounting rules for sales and leaseback of assets, as well as for subleases of leased assets under certain circumstances. The standard continues to adopt a dual accounting lease model for lessor accounting.

The Group will apply SFRS(I) 16 using the modified retrospective approach where the cumulative effect of initial application will be reflected as an adjustment to the opening statement of financial position as at 1 April 2019. The standard will be applied prospectively with no restatement of financial statements for the comparative periods.

On transition, the Group will elect the practical expedients permitted by the new standard, including carrying forward the historical lease classification, as well as excluding all leases with original maturities of one year or less and leases of low value assets.

The Group is a lessee mainly for operating leases of facilities such as central offices, data centres, corporate offices, retail stores, network equipment, ducts and manholes.

In Australia, the Group sells and lease back handsets (as a lessee) from a bank for subleasing to its customers (as an intermediate lessor). Before the adoption of SFRS(I) 16, the profit on sale of handset is accounted in full upon delivery, the lease payments made (as a lessee) are accounted as operating lease expenses over the contract period, and the lease income received (as an intermediate lessor) are recognised as operating lease income over the contract period. Under SFRS(I) 16, however, the profit on sale and leaseback of handset to be recognised is subject to the proportion attributable to the bank and an upfront gain or loss on finance lease of leased handsets will be recognised.

The Group is still in the process of quantifying the impact of SFRS(I) 16 on the financial statements.