

SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

ANNOUNCEMENT PURSUANT TO
RULE 704 OF THE SGX LISTING MANUAL

ACQUISITION OF ADCONION MEDIA, INC., ADCONION PTY LIMITED,
KONTERA TECHNOLOGIES, INC. AND INCORPORATION OF SUBSIDIARY

Acquisition of Adconion Media, Inc. and Adconion Pty Limited

Singapore Telecommunications Limited ("SingTel") wishes to announce that its wholly-owned subsidiary, Amobee Group Pte Ltd has entered into a conditional agreement to acquire 100% of the share capital of Adconion Media, Inc. and Adconion Pty Limited (together, "Adconion").

Adconion is a cross channel digital advertising group with operations primarily in North America and Australia. It offers digital advertising solutions for Fortune 500 brands across five key marketing channels – display, video, mobile, email and social – on all devices from a unified technology platform.

Adconion Media, Inc. is incorporated under the laws of Delaware, USA, and Adconion Pty Limited is incorporated under the laws of New South Wales, Australia.

The enterprise value of Adconion is US\$235 million. The aggregate consideration is approximately US\$209 million excluding debt, and is subject to working capital adjustments. The valuation was arrived at on a willing buyer-willing seller basis based on, *inter alia*, an assessment of Adconion's assets and business prospects. The consideration will be paid in cash.

The agreement also provides for up to US\$20 million in earn-out and retention benefits for the key employees of Adconion, subject to the achievement of certain key performance indicators.

The transaction is subject to the fulfillment of certain conditions precedent, including the receipt of relevant approvals.

Based on its unaudited accounts as at 31 March 2014, Adconion had net tangible liabilities of approximately US\$79 million.

Acquisition of Kontera Technologies, Inc. and incorporation of subsidiary

Amobee, Inc. ("Amobee US"), also a SingTel wholly-owned subsidiary, has entered into a conditional agreement to acquire 100% of the share capital of Kontera Technologies, Inc. ("Kontera").

Kontera is a digital content intelligence and marketing technology company with offices in the US, UK and Israel. Its real-time digital content analysis platform analyses data across mobile, web and social networks, and enables advertisers to use its native advertising capabilities to serve the most relevant ads to consumers. The intelligence and actionable insights derived from the Kontera platform allows advertisers and agencies to make real-time decisions about their brands and marketing campaigns to achieve better returns. Kontera is incorporated under the laws of Delaware, USA.

The enterprise value and consideration for Kontera are approximately US\$150 million. The consideration is subject to working capital adjustments. The valuation was arrived at on a willing buyer-willing seller basis based on, *inter alia*, an assessment of Kontera's assets and business prospects. The consideration will be paid in cash.

The agreement also provides for up to US\$5.8 million in earn-out and retention benefits for the key employees of Kontera, subject to the achievement of certain key performance indicators.

The transaction is subject to the fulfillment of certain conditions precedent, including the receipt of relevant approvals.

Based on its unaudited accounts as at 31 March 2014, Kontera had net tangible liabilities of approximately US\$15 million.

In this connection, Amobee US has formed a wholly-owned subsidiary, KT Acquisition Sub, Inc. ("KT Sub"), a corporation incorporated under the laws of Delaware, USA for the purposes of effecting the Kontera transaction. KT Sub has an issued and paid-up capital of 0.01 US cent. The directors of KT Sub are Mr Allen Lew and Ms Jeann Low.

Issued by Singapore Telecommunications Limited on 11 June 2014.