



Singtel's participation in Airtel rights issue

7 March 2019



Airtel fund raising¹

To raise up to US\$4.5b² from rights issue & perpetual bonds to reduce debt

Promoter Group³ & GIC to jointly subscribe for 67% of rights issue; reflecting confidence in Airtel and the future of the Indian telco market

Singtel to subscribe for ~US\$525m in rights shares, adding to recent investments of ~S\$900m⁴ in the last 12 months

Singtel remains largest shareholder post-allotment⁵

Note:

- (1) US\$ figures are translated at Rs71.43 per US\$.
- (2) Includes up to US\$3.5b from renounceable rights issue & US\$1b of perpetual bonds.
- (3) Includes Singtel, Bharti Telecom & Bharti Group.
- (4) Includes US\$250m direct investment into Airtel Africa.
- (5) Assuming full subscription, Singtel's existing stake of 39.5% diluted to approximately 35.2%.

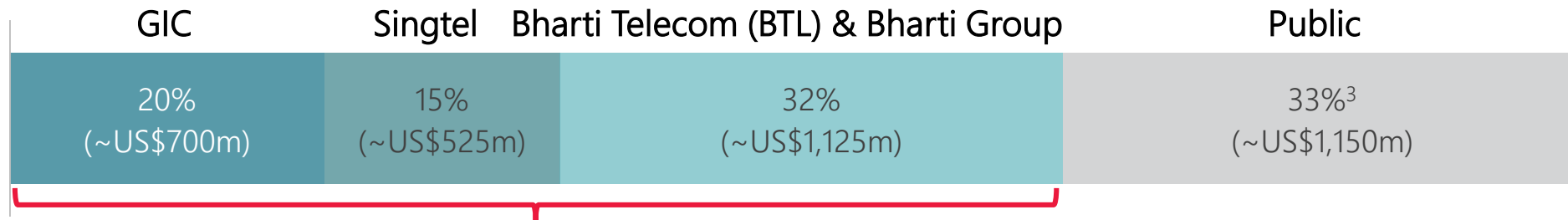
Strong support from Promoter Group & GIC

Rights issue structure

- Rights ratio of 19 shares for every existing 67 shares (~28% new shares)
- Rights price of Rs220 per share (discount of 31% & 26% to market close¹ & TERP² respectively)
- Subject to regulatory processes

Participation

- Promoter Group to take-up entitlement³, with exception of ~US\$700m renounced to GIC
- Singtel to subscribe for ~US\$525m in rights shares, representing its 15% direct interest in Airtel. Remains largest shareholder post-allotment⁴



Total:
~US\$3.5b

67% or **~US\$2.4b** of rights accounted for

Notes:

(1) Market closing share price of Rs318.05 as at announcement on 28 Feb 2019.

(2) Theoretical ex-rights price of ~Rs296 per share.

(3) In the event of any under-subscription in the Issue, Promoter Group reserves the right to subscribe either itself or through investors for additional shares in the Issue.

(4) Assuming full subscription, Singtel's existing stake of 39.5% diluted to approximately 35.2%.



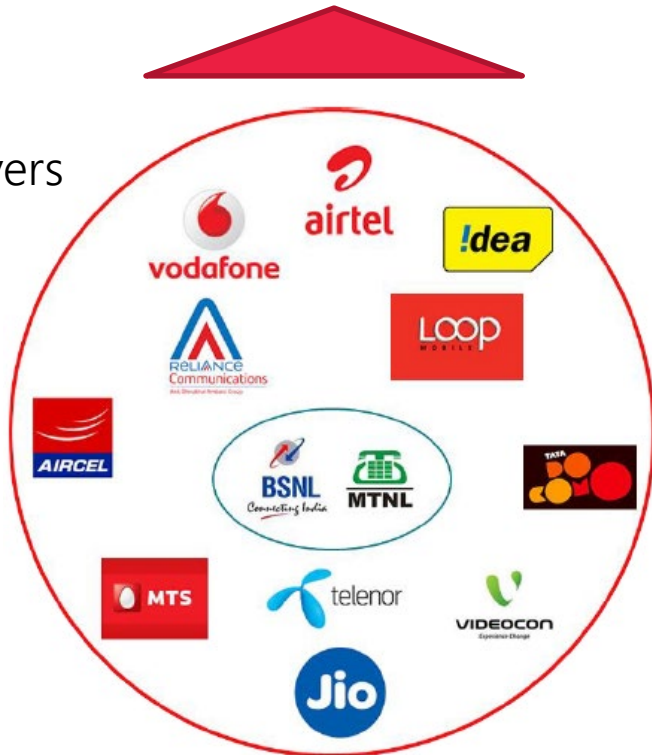
India: Market consolidation & ARPU stabilisation

Today 4 players share a ~US\$20b¹ mobile market

QoQ ARPU increase in Q3FY19

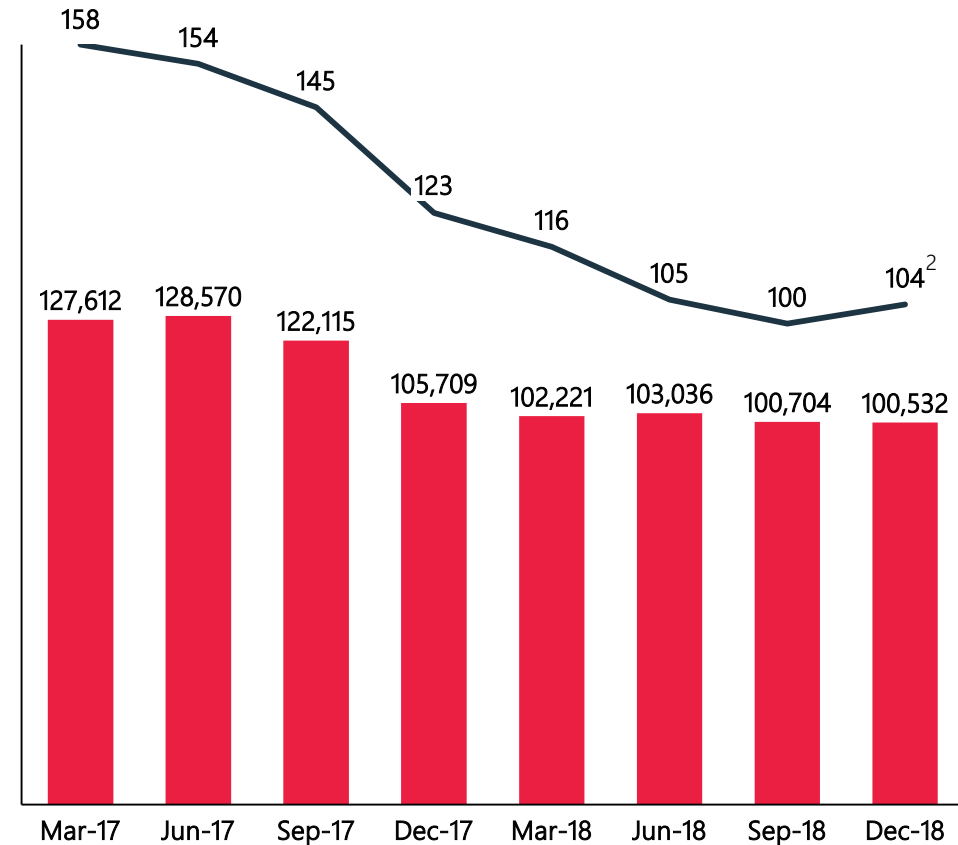


2015
> 10 players



Airtel India Mobile
svc revenue
(Rs'm)

Airtel India
ARPU
(Rs)



Note:

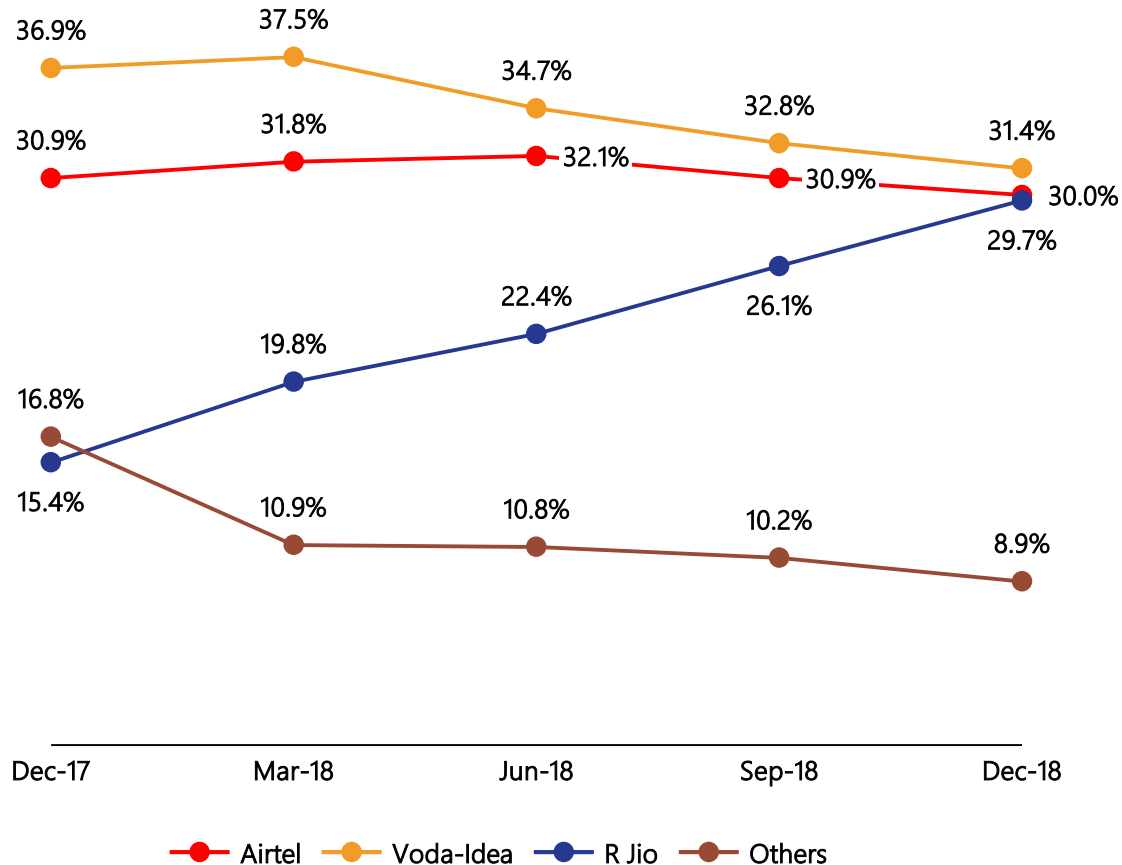
(1) Based on TRAI data.

(2) Dec 2018 ARPU based on modified definition of prepaid customer base representing only the customers who transact and generate revenue. Exit ARPU Rs118.

India: Recent operating metrics



India Mobile Revenue Market Share¹



01 Improve device affordability

- Partnership with 13 manufacturers, 48 phones available
- Cashback offers (with minimum top up) to lower effective price

02 Network leadership

- Largest total spectrum holdings²
- ~200k base stations rolled out in last 2 years
- Omni-channel engagement – MyAirtel App/ 1.2m retail points

03 Digital transformation



Note:

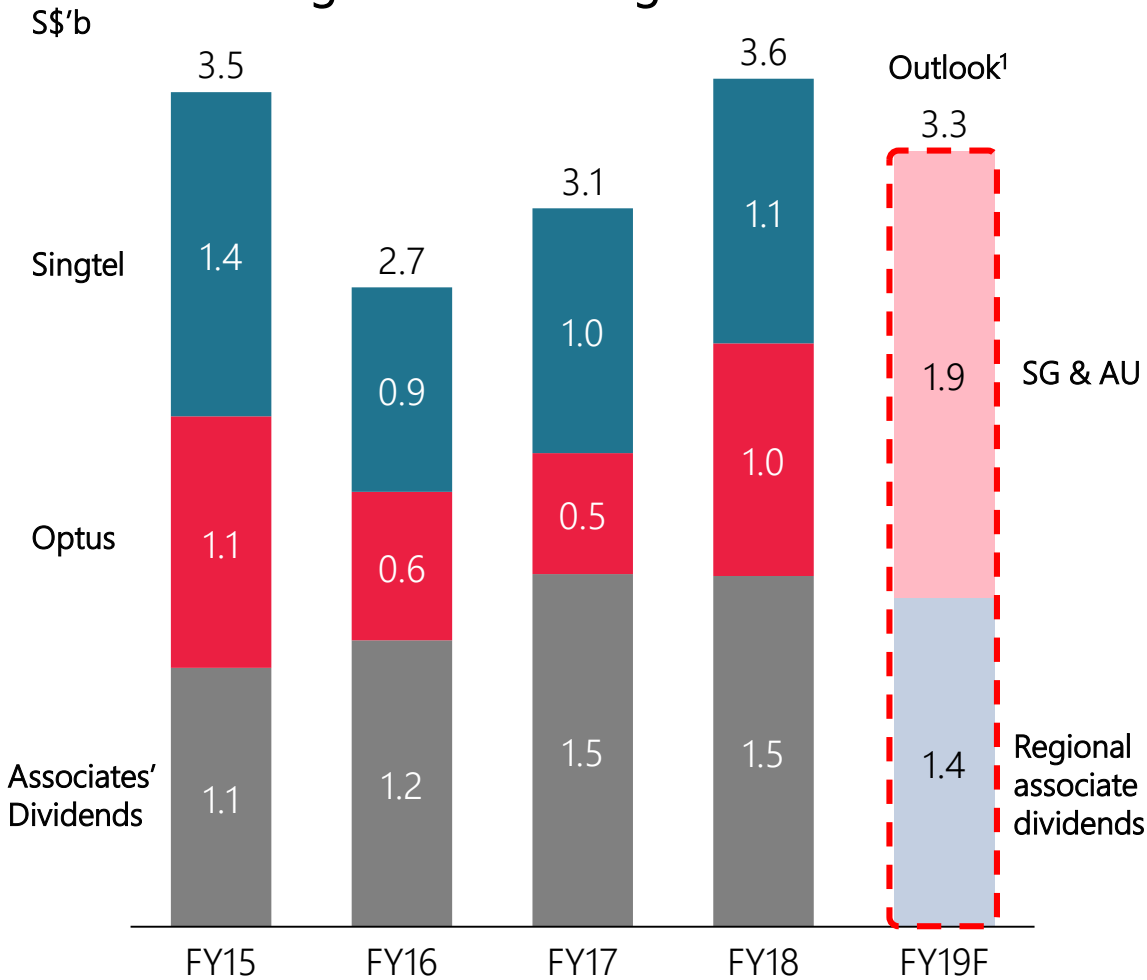
(1) Based on TRAI Adjusted Gross Revenue + National Long Distance.

(2) Includes liberalised spectrum of Tata.



Singtel: Financially disciplined & committed to sustainable shareholder returns

Strong free cashflow generation



FY19 & FY20

Maintain 17.5c dividend per share

Robust financial position

S\$10.5b net debt² **1.69x** net debt : EBITDA & share of associates' pre-tax profits²

Strong credit ratings³

S&P **A+** Moody's **A1** Committed to investment grade ratings

Note:

(1) Please refer to Singtel's Q3FY19 management discussion & analysis

(2) Pro forma as at December 2018, assuming additional net debt of ~US\$525m (~S\$711m) by Singtel to subscribe for Airtel rights shares and no adjustment to share of associates' pre-tax profits.

(3) S&P A+ (Stable outlook); Moody's A1 (Negative outlook).

Thank you

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