



**SINGAPORE TELECOMMUNICATIONS LIMITED  
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT  
FOR THE SECOND QUARTER AND HALF YEAR ENDED  
30 SEPTEMBER 2018**

<b><u>Contents</u></b>	<b><u>Page</u></b>
Consolidated income statement .....	1
Consolidated statement of comprehensive income .....	2
Statements of financial position (Group and Company) .....	3
Statements of changes in equity (Group and Company) .....	5
Consolidated statement of cash flows .....	13
Selected notes to the interim financial statements .....	16
Dividends .....	27
Group segment information.....	31
Other information.....	39
Subsequent events.....	39
Confirmation by the Board .....	40
Independent Auditors' review report .....	41

**CONSOLIDATED INCOME STATEMENT**

For the second quarter and half year ended 30 September 2018

Group (Unaudited)	Notes	Quarter 30 Sep		Half Year 30 Sep	
		2018	Restated	2018	Restated
		S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Operating revenue		<b>4,269.8</b>	4,267.7	<b>8,403.6</b>	8,423.2
Operating expenses	2	<b>(3,191.1)</b>	(3,066.3)	<b>(6,183.2)</b>	(6,054.1)
Other income	3	<b>49.9</b>	47.1	<b>115.1</b>	119.8
		<b>1,128.6</b>	1,248.5	<b>2,335.5</b>	2,488.9
Depreciation and amortisation	4	<b>(553.9)</b>	(576.3)	<b>(1,107.6)</b>	(1,125.5)
		<b>574.7</b>	672.2	<b>1,227.9</b>	1,363.4
Exceptional items	5	<b>(63.6)</b>	1,913.5	<b>12.9</b>	1,887.4
<b>Profit on operating activities</b>		<b>511.1</b>	2,585.7	<b>1,240.8</b>	3,250.8
Share of results of associates and joint ventures	6	<b>376.5</b>	487.0	<b>777.2</b>	1,002.4
<b>Profit before interest, investment income (net) and tax</b>		<b>887.6</b>	3,072.7	<b>2,018.0</b>	4,253.2
Interest and investment income (net)	7	<b>3.6</b>	8.9	<b>25.6</b>	22.3
Finance costs	8	<b>(97.2)</b>	(100.0)	<b>(189.4)</b>	(199.3)
<b>Profit before tax</b>		<b>794.0</b>	2,981.6	<b>1,854.2</b>	4,076.2
Tax expense	9	<b>(132.9)</b>	(133.1)	<b>(366.9)</b>	(343.4)
<b>Profit after tax</b>		<b>661.1</b>	2,848.5	<b>1,487.3</b>	3,732.8
<b>Attributable to:</b>					
Shareholders of the Company		<b>667.2</b>	2,854.4	<b>1,498.7</b>	3,744.2
Non-controlling interests		<b>(6.1)</b>	(5.9)	<b>(11.4)</b>	(11.4)
		<b>661.1</b>	2,848.5	<b>1,487.3</b>	3,732.8
<b>Earnings per share attributable to shareholders of the Company</b>					
- basic	10	<b>4.09¢</b>	17.49¢	<b>9.18¢</b>	22.94¢
- diluted	10	<b>4.08¢</b>	17.46¢	<b>9.16¢</b>	22.91¢

**Note:**

The Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) which became effective from 1 April 2018 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*.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the second quarter and half year ended 30 September 2018*

Group (Unaudited)	Quarter 30 Sep		Half Year 30 Sep	
	2018	Restated 2017	2018	Restated 2017
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Profit after tax</b>	<b>661.1</b>	<b>2,848.5</b>	<b>1,487.3</b>	<b>3,732.8</b>
<b>Other comprehensive (loss)/ income</b>				
<b>Items that may be reclassified subsequently to income statement:</b>				
Exchange differences arising from translation of foreign operations and other currency translation differences	(551.4)	(191.6)	(685.3)	(418.7)
Cash flow hedges				
- Fair value changes	24.6	(45.5)	145.9	(45.2)
- Tax effects	(13.0)	(1.2)	(18.9)	(21.8)
	11.6	(46.7)	127.0	(67.0)
- Fair value changes transferred to income statement	(51.3)	64.1	(144.0)	56.6
- Tax effects	14.3	(0.8)	17.5	17.3
	(37.0)	63.3	(126.5)	73.9
	(25.4)	16.6	0.5	6.9
Fair value changes on Fair Value through Other Comprehensive Income ("FVOCI") investments	14.2	17.4	27.2	22.9
Share of other comprehensive gain of associates and joint ventures	97.4	144.8	93.3	135.6
<b>Other comprehensive loss, net of tax</b>	<b>(465.2)</b>	<b>(12.8)</b>	<b>(564.3)</b>	<b>(253.3)</b>
<b>Total comprehensive income</b>	<b>195.9</b>	<b>2,835.7</b>	<b>923.0</b>	<b>3,479.5</b>
<b>Attributable to:</b>				
Shareholders of the Company	202.3	2,841.9	935.5	3,491.1
Non-controlling interests	(6.4)	(6.2)	(12.5)	(11.6)
	195.9	2,835.7	923.0	3,479.5

**STATEMENTS OF FINANCIAL POSITION**

As at 30 September 2018

(Unaudited)	Notes	Group		Company	
		As at	Restated	As at	Restated
		30 Sep 18	31 Mar 18	30 Sep 18	31 Mar 18
		S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Current assets</b>					
Cash and cash equivalents		706.9	524.9	154.2	92.0
Trade and other receivables		5,698.6	5,817.9	491.0	506.7
Due from subsidiaries		-	-	1,645.9	1,817.2
Inventories		343.7	397.4	32.0	21.8
Derivative financial instruments		35.4	22.6	73.0	70.1
		<b>6,784.6</b>	<b>6,762.8</b>	<b>2,396.1</b>	<b>2,507.8</b>
<b>Non-current assets</b>					
Property, plant and equipment		11,119.7	11,454.1	2,149.0	2,259.4
Intangible assets		14,074.5	13,969.1	-	-
Subsidiaries		-	-	19,446.3	19,425.9
Joint ventures		11,736.3	12,754.6	22.8	22.8
Associates		2,028.0	2,000.6	24.7	24.7
Fair value through other comprehensive income ("FVOCI") investments		242.7	197.9	6.3	5.5
Derivative financial instruments		452.4	406.7	146.1	130.6
Deferred tax assets		345.0	353.0	-	-
Other assets		614.1	587.8	147.8	144.9
		<b>40,612.7</b>	<b>41,723.8</b>	<b>21,943.0</b>	<b>22,013.8</b>
<b>Total assets</b>		<b>47,397.3</b>	<b>48,486.6</b>	<b>24,339.1</b>	<b>24,521.6</b>
<b>Current liabilities</b>					
Trade and other payables		5,142.0	5,371.0	832.9	959.7
Due to subsidiaries		-	-	814.1	508.7
Advance billings		719.5	794.1	75.7	80.1
Current tax liabilities		302.8	351.3	103.4	101.5
Borrowings (unsecured)	12	1,515.5	1,800.5	-	-
Borrowings (secured)	12	21.1	23.1	3.3	7.4
Derivative financial instruments		53.1	69.3	75.2	84.9
Net deferred gain		20.1	20.1	-	-
		<b>7,774.1</b>	<b>8,429.4</b>	<b>1,904.6</b>	<b>1,742.3</b>

**STATEMENTS OF FINANCIAL POSITION***As at 30 September 2018*

(Unaudited)	Notes	Group		Company	
		As at	Restated	As at	Restated
		30 Sep 18	31 Mar 18	30 Sep 18	31 Mar 18
		S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Non-current liabilities</b>					
Advance billings		225.4	225.1	138.1	136.7
Borrowings (unsecured)	12	9,039.9	8,586.1	755.8	739.5
Borrowings (secured)	12	88.6	81.5	68.5	68.5
Derivative financial instruments		243.8	295.4	246.4	250.9
Net deferred gain		363.6	357.7	-	-
Deferred tax liabilities		511.2	535.6	284.6	268.2
Other non-current liabilities		274.9	295.1	28.0	31.4
		<b>10,747.4</b>	10,376.5	<b>1,521.4</b>	1,495.2
<b>Total liabilities</b>		<b>18,521.5</b>	18,805.9	<b>3,426.0</b>	3,237.5
<b>Net assets</b>		<b>28,875.8</b>	29,680.7	<b>20,913.1</b>	21,284.1
<b>Share capital and reserves</b>					
Share capital	13	4,127.3	4,127.3	4,127.3	4,127.3
Reserves		24,759.7	25,579.0	16,785.8	17,156.8
<b>Equity attributable to shareholders of the Company</b>					
		<b>28,887.0</b>	29,706.3	<b>20,913.1</b>	21,284.1
Non-controlling interests		(11.2)	(3.2)	-	-
Other reserve		-	(22.4)	-	-
<b>Total equity</b>		<b>28,875.8</b>	29,680.7	<b>20,913.1</b>	21,284.1

**STATEMENTS OF CHANGES IN EQUITY**

For the second quarter ended 30 September 2018

Group - 2018 (Unaudited)	Attributable to shareholders of the Company										Non- controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil			
				Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil						
Balance as at 1 July 2018	4,127.3	(19.5)	(102.0)	(1,412.9)	(28.4)	(6.2)	28,066.5	(204.9)	30,419.9	(5.0)	30,414.9	
Changes in equity for the quarter												
Performance shares purchased by the Company	-	(0.4)	-	-	-	-	-	-	(0.4)	-	(0.4)	
Performance shares purchased by Trust <sup>(5)</sup>	-	(6.4)	-	-	-	-	-	-	(6.4)	-	(6.4)	
Performance shares vested	-	5.6	(5.6)	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	12.8	-	-	-	-	-	12.8	0.2	13.0	
Transfer of liability to equity	-	-	5.3	-	-	-	-	-	5.3	-	5.3	
Performance shares purchased by Singtel Optus Pty Limited ("Optus") and vested	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)	
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)	
Reclassification due to disposal of FVOCI Investments	-	-	-	-	-	(4.0)	4.0	-	-	-	-	
Others	-	-	-	-	-	-	0.5	-	0.5	-	0.5	
	-	(1.2)	12.2	-	-	(4.0)	(1,742.2)	-	(1,735.2)	0.2	(1,735.0)	
Total comprehensive (loss)/ income for the quarter	-	-	-	(551.1)	(25.4)	14.2	667.2	97.4	202.3	(6.4)	195.9	
<b>Balance as at 30 September 2018</b>	<b>4,127.3</b>	<b>(20.7)</b>	<b>(89.8)</b>	<b>(1,964.0)</b>	<b>(53.8)</b>	<b>4.0</b>	<b>26,991.5</b>	<b>(107.5)</b>	<b>28,887.0</b>	<b>(11.2)</b>	<b>28,875.8</b>	

**STATEMENTS OF CHANGES IN EQUITY**

For the second quarter ended 30 September 2018

Restated Group - 2017 (Unaudited)	Attributable to shareholders of the Company											Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil	Non- controlling Interests S\$ Mil	Other Reserve <sup>(4)</sup> S\$ Mil	
				Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil						
Balance as at 1 July 2017, previously reported	4,127.3	(18.3)	(119.1)	(4,734.9)	6.8	61.8	30,385.5	(836.9)	28,872.2	17.1	(22.4)	28,866.9
Effects of adoption of SFRS(I) 1, 9, 15	-	-	-	4,507.7	(50.5)	(46.1)	(4,432.3)	3.6	(17.6)	-	-	(17.6)
Balance as at 1 July 2017, restated	4,127.3	(18.3)	(119.1)	(227.2)	(43.7)	15.7	25,953.2	(833.3)	28,854.6	17.1	(22.4)	28,849.3
Changes in equity for the quarter												
Performance shares purchased by Trust <sup>(5)</sup>	-	(4.7)	-	-	-	-	-	-	(4.7)	-	-	(4.7)
Equity-settled share based payment	-	-	9.0	-	-	-	-	-	9.0	-	-	9.0
Performance shares purchased by Optus and vested	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	(0.1)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.3)	-	(0.3)
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(18.1)	18.1	-	-	-	-	-
Final dividend paid	-	-	-	-	-	-	(1,746.6)	-	(1,746.6)	-	-	(1,746.6)
	-	(4.7)	8.9	-	-	(18.1)	(1,728.5)	-	(1,742.4)	(0.3)	-	(1,742.7)
Total comprehensive (loss)/ income for the quarter	-	-	-	(191.3)	16.6	17.4	2,854.4	144.8	2,841.9	(6.2)	-	2,835.7
<b>Balance as at 30 September 2017, restated</b>	<b>4,127.3</b>	<b>(23.0)</b>	<b>(110.2)</b>	<b>(418.5)</b>	<b>(27.1)</b>	<b>15.0</b>	<b>27,079.1</b>	<b>(688.5)</b>	<b>29,954.1</b>	<b>10.6</b>	<b>(22.4)</b>	<b>29,942.3</b>

**STATEMENTS OF CHANGES IN EQUITY***For the second quarter ended 30 September 2018*

Company - 2018 (Unaudited)	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2018	4,127.3	(0.3)	46.2	20.5	2.4	17,405.5	21,601.6
Changes in equity for the quarter							
Performance shares purchased by the Company	-	(0.4)	-	-	-	-	(0.4)
Performance shares vested	-	0.7	(0.7)	-	-	-	-
Equity-settled share based payment	-	-	3.1	-	-	-	3.1
Transfer of liability to equity	-	-	5.3	-	-	-	5.3
Contribution to Trust <sup>(5)</sup>	-	-	(5.3)	-	-	-	(5.3)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
	-	0.3	2.4	-	-	(1,747.2)	(1,744.5)
Total comprehensive income for the quarter	-	-	-	0.7	0.6	1,054.7	1,056.0
<b>Balance as at 30 September 2018</b>	<b>4,127.3</b>	<b>-</b>	<b>48.6</b>	<b>21.2</b>	<b>3.0</b>	<b>16,713.0</b>	<b>20,913.1</b>



**STATEMENTS OF CHANGES IN EQUITY**

For the second quarter ended 30 September 2018

Restated Company - 2017 (Unaudited)	Share Capital S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2017, previously reported	4,127.3	44.1	56.4	27.0	16,622.2	20,877.0
Effects of adoption of SFRS(I) 1, 9, 15	-	-	(50.5)	-	(28.4)	(78.9)
Balance as at 1 July 2017, restated	4,127.3	44.1	5.9	27.0	16,593.8	20,798.1
Changes in equity for the quarter						
Equity-settled share based payment	-	2.1	-	-	-	2.1
Contribution to Trust <sup>(5)</sup>	-	(4.2)	-	-	-	(4.2)
Final dividend paid	-	-	-	-	(1,747.2)	(1,747.2)
	-	(2.1)	-	-	(1,747.2)	(1,749.3)
Total comprehensive income for the quarter	-	-	2.9	4.6	2,434.0	2,441.5
<b>Balance as at 30 September 2017, restated</b>	<b>4,127.3</b>	<b>42.0</b>	<b>8.8</b>	<b>31.6</b>	<b>17,280.6</b>	<b>21,490.3</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with SFRS(I) 1-32, *Financial Instruments: Presentation*.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.
- (4) This amount was a reserve for an obligation which arose from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("**Trustwave**"). In May 2018, the put option was exercised for the acquisition of the remaining 2% equity interest in Trustwave.
- (5) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.

## STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 September 2018

Group - 2018 (Unaudited)	Attributable to shareholders of the Company												
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency			Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil	Non- controlling Interests S\$ Mil	Other Reserve <sup>(4)</sup> S\$ Mil	Total Equity S\$ Mil
				Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Currency Reserve <sup>(2)</sup> S\$ Mil							
Balance as at 1 April 2018, previously reported	4,127.3	(32.7)	(96.2)	(5,773.3)	5.3	25.5	31,600.7	(177.4)	29,679.2	(3.2)	(22.4)	29,653.6	
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	4,493.5	(59.6)	(44.4)	(4,366.0)	3.6	27.1	-	-	27.1	
Balance as at 1 April 2018, restated	4,127.3	(32.7)	(96.2)	(1,279.8)	(54.3)	(18.9)	27,234.7	(173.8)	29,706.3	(3.2)	(22.4)	29,680.7	
Changes in equity for the period													
Performance shares purchased by the Company	-	(0.7)	-	-	-	-	-	-	(0.7)	-	-	(0.7)	
Performance shares purchased by Trust <sup>(5)</sup>	-	(7.5)	-	-	-	-	-	-	(7.5)	-	-	(7.5)	
Performance shares vested	-	20.2	(20.2)	-	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	24.4	-	-	-	-	-	24.4	(0.1)	-	24.3	
Transfer of liability to equity	-	-	7.8	-	-	-	-	-	7.8	-	-	7.8	
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	(0.1)	
Performance shares purchased by Optus and vested	-	-	(5.5)	-	-	-	-	-	(5.5)	-	-	(5.5)	
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	-	(1,746.7)	
Acquisition of non-controlling interests <sup>(4)</sup>	-	-	-	-	-	-	-	(27.0)	(27.0)	4.6	22.4	-	
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(4.3)	4.3	-	-	-	-	-	
Others	-	-	-	-	-	-	0.5	-	0.5	-	-	0.5	
	-	12.0	6.4	-	-	(4.3)	(1,741.9)	(27.0)	(1,754.8)	4.5	22.4	(1,727.9)	
Total comprehensive (loss)/ income for the period	-	-	-	(684.2)	0.5	27.2	1,498.7	93.3	935.5	(12.5)	-	923.0	
<b>Balance as at 30 September 2018</b>	<b>4,127.3</b>	<b>(20.7)</b>	<b>(89.8)</b>	<b>(1,964.0)</b>	<b>(53.8)</b>	<b>4.0</b>	<b>26,991.5</b>	<b>(107.5)</b>	<b>28,887.0</b>	<b>(11.2)</b>	<b>-</b>	<b>28,875.8</b>	

**STATEMENTS OF CHANGES IN EQUITY***For the half year ended 30 September 2018*

Restated Group - 2017 (Unaudited)	Attributable to shareholders of the Company										Non- controlling Interests S\$ Mil	Other Reserve <sup>(4)</sup> S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves <sup>(3)</sup> S\$ Mil	Total S\$ Mil				
				Translation Reserve <sup>(2)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil							
Balance as at 1 April 2017, previously reported	4,127.3	(32.5)	(108.0)	(4,507.5)	11.1	57.0	29,493.9	(827.7)	28,213.6	22.4	(22.4)	28,213.6	
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	4,507.5	(45.1)	(46.1)	(4,431.2)	3.6	(11.3)	-	-	(11.3)	
Balance as at 1 April 2017, restated	4,127.3	(32.5)	(108.0)	-	(34.0)	10.9	25,062.7	(824.1)	28,202.3	22.4	(22.4)	28,202.3	
Changes in equity for the period													
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	-	-	(1.4)	-	-	(1.4)	
Performance shares purchased by Trust <sup>(5)</sup>	-	(6.9)	-	-	-	-	-	-	(6.9)	-	-	(6.9)	
Performance shares vested	-	17.8	(17.8)	-	-	-	-	-	-	-	-	-	
Equity-settled share based payment	-	-	18.1	-	-	-	-	-	18.1	0.1	-	18.2	
Transfer of liability to equity	-	-	4.2	-	-	-	-	-	4.2	-	-	4.2	
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	(0.1)	
Performance shares purchased by Optus and vested	-	-	(6.6)	-	-	-	-	-	(6.6)	-	-	(6.6)	
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.3)	-	(0.3)	
Final dividend paid	-	-	-	-	-	-	(1,746.6)	-	(1,746.6)	-	-	(1,746.6)	
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(18.8)	18.8	-	-	-	-	-	
	-	9.5	(2.2)	-	-	(18.8)	(1,727.8)	-	(1,739.3)	(0.2)	-	(1,739.5)	
Total comprehensive (loss)/ income for the period	-	-	-	(418.5)	6.9	22.9	3,744.2	135.6	3,491.1	(11.6)	-	3,479.5	
<b>Balance as at 30 September 2017, restated</b>	<b>4,127.3</b>	<b>(23.0)</b>	<b>(110.2)</b>	<b>(418.5)</b>	<b>(27.1)</b>	<b>15.0</b>	<b>27,079.1</b>	<b>(688.5)</b>	<b>29,954.1</b>	<b>10.6</b>	<b>(22.4)</b>	<b>29,942.3</b>	

**STATEMENTS OF CHANGES IN EQUITY***For the half year ended 30 September 2018*

Company - 2018 (Unaudited)	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2018, previously reported	4,127.3	(1.0)	39.4	60.1	2.2	17,133.7	21,361.7
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	(56.1)	-	(21.5)	(77.6)
Balance as at 1 April 2018, restated	4,127.3	(1.0)	39.4	4.0	2.2	17,112.2	21,284.1
Changes in equity for the period							
Performance shares purchased by the Company	-	(0.7)	-	-	-	-	(0.7)
Performance shares vested	-	1.7	(1.7)	-	-	-	-
Equity-settled share based payment	-	-	8.5	-	-	-	8.5
Transfer of liability to equity	-	-	7.8	-	-	-	7.8
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust <sup>(5)</sup>	-	-	(5.3)	-	-	-	(5.3)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
	-	1.0	9.2	-	-	(1,747.2)	(1,737.0)
Total comprehensive income for the period	-	-	-	17.2	0.8	1,348.0	1,366.0
<b>Balance as at 30 September 2018</b>	<b>4,127.3</b>	<b>-</b>	<b>48.6</b>	<b>21.2</b>	<b>3.0</b>	<b>16,713.0</b>	<b>20,913.1</b>

**STATEMENTS OF CHANGES IN EQUITY***For the half year ended 30 September 2018*

Restated Company - 2017 (Unaudited)	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2017, previously reported	4,127.3	(0.9)	38.3	60.3	27.7	16,006.1	20,258.8
Effects of adoption of SFRS(I) 1, 9 and 15	-	-	-	(46.3)	-	(30.4)	(76.7)
Balance as at 1 April 2017, restated	4,127.3	(0.9)	38.3	14.0	27.7	15,975.7	20,182.1
Changes in equity for the period							
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	(1.4)
Performance shares vested	-	2.3	(2.3)	-	-	-	-
Equity-settled share based payment	-	-	6.7	-	-	-	6.7
Transfer of liability to equity	-	-	4.2	-	-	-	4.2
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust <sup>(5)</sup>	-	-	(4.8)	-	-	-	(4.8)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
	-	0.9	3.7	-	-	(1,747.2)	(1,742.6)
Total comprehensive (loss)/ income for the period	-	-	-	(5.2)	3.9	3,052.1	3,050.8
<b>Balance as at 30 September 2017, restated</b>	<b>4,127.3</b>	<b>-</b>	<b>42.0</b>	<b>8.8</b>	<b>31.6</b>	<b>17,280.6</b>	<b>21,490.3</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with SFRS(I) 1-32, *Financial Instruments: Presentation*.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.
- (4) This amount was a reserve for an obligation which arose from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("Trustwave"). In May 2018, the put option was exercised for the acquisition of the remaining 2% equity interest in Trustwave.
- (5) DBS Trustee Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the second quarter and half year ended 30 September 2018

Group (Unaudited)	Quarter 30 Sep		Half Year 30 Sep	
	2018 S\$ Mil	Restated 2017 S\$ Mil	2018 S\$ Mil	Restated 2017 S\$ Mil
<b>Cash Flows from Operating Activities</b>				
Profit before tax	794.0	2,981.6	1,854.2	4,076.2
<b>Adjustments for</b>				
Depreciation and amortisation	553.9	576.3	1,107.6	1,125.5
Exceptional items (non-cash)	0.4	(1,913.8)	(105.1)	(1,913.8)
Interest and investment income (net)	(3.6)	(8.9)	(25.6)	(22.3)
Finance costs	97.2	100.0	189.4	199.3
Share of results of associates and joint ventures (post-tax)	(376.5)	(487.0)	(777.2)	(1,002.4)
Other non-cash items	13.2	8.8	17.5	15.3
	284.6	(1,724.6)	406.6	(1,598.4)
<b>Operating cash flow before working capital changes</b>	<b>1,078.6</b>	<b>1,257.0</b>	<b>2,260.8</b>	<b>2,477.8</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	(16.8)	(78.2)	(118.5)	(119.0)
Trade and other payables	(69.1)	72.6	(221.3)	35.7
Inventories	55.2	44.0	49.6	(7.1)
<b>Cash generated from operations</b>	<b>1,047.9</b>	<b>1,295.4</b>	<b>1,970.6</b>	<b>2,387.4</b>
Payment to employees in cash under performance share plans	-	-	(0.1)	(0.8)
Dividends received from associates and joint ventures	227.0	246.9	1,409.1	1,208.2
Income tax and withholding tax paid	(244.9)	(206.3)	(418.4)	(373.1)
<b>Net cash from operating activities</b>	<b>1,030.0</b>	<b>1,336.0</b>	<b>2,961.2</b>	<b>3,221.7</b>
<b>Cash Flows from Investing Activities</b>				
Dividends received from FVOCI investments	-	0.7	0.1	1.5
Interest received	1.9	11.1	3.3	12.3
Adjustment/ (Payment) for acquisition of subsidiary, net of cash acquired ( <b>Note 1</b> )	-	3.9	-	(336.5)
Payment for acquisition of intangibles and other assets ( <b>Note 2</b> )	(123.1)	-	(123.1)	-
Payment for acquisition of non-controlling interests	-	-	(16.1)	-
Investment in joint venture	-	(0.5)	-	(0.5)
Loan repaid by associate ( <b>Note 3</b> )	-	1,100.5	-	1,100.5
Proceeds/ Deferred proceeds from disposal of an associate ( <b>Note 3</b> )	-	1,095.3	4.0	1,095.3
Investment in FVOCI investments	(15.3)	(14.8)	(24.2)	(40.1)
Proceeds from sale of FVOCI investments	3.7	0.2	6.5	1.5
Balance carried forward	(132.8)	2,196.4	(149.5)	1,834.0

**CONSOLIDATED STATEMENT OF CASH FLOWS***For the second quarter and half year ended 30 September 2018*

Group (Unaudited)	Quarter 30 Sep		Half Year 30 Sep	
	2018 S\$ Mil	Restated 2017 S\$ Mil	2018 S\$ Mil	Restated 2017 S\$ Mil
<b>Cash Flows from Investing Activities (continued)</b>				
Balance brought forward	(132.8)	2,196.4	(149.5)	1,834.0
Payment for purchase of property, plant and equipment	(353.9)	(618.3)	(819.0)	(1,210.4)
Proceeds from sale of property, plant and equipment	19.7	98.8	137.9	102.7
Other purchases of intangible assets	(40.9)	(54.5)	(96.2)	(1,031.4)
Withholding tax paid on intra-group interest income	(11.6)	(13.7)	(11.6)	(13.7)
<b>Net cash (used in)/ from investing activities</b>	<b>(519.5)</b>	<b>1,608.7</b>	<b>(938.4)</b>	<b>(318.8)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from term loans	2,878.8	1,062.1	3,606.2	3,983.9
Repayment of term loans	(2,533.9)	(1,705.5)	(4,469.5)	(4,340.4)
Proceeds from bond issue	1,177.6	430.2	1,177.6	430.2
Repayment of bonds	(137.5)	(936.4)	(241.0)	(936.4)
Proceeds from finance lease liabilities	11.2	4.9	11.7	10.2
Finance lease payments	(6.8)	(10.2)	(15.4)	(22.0)
Net proceeds from/ (repayment of) borrowings	1,389.4	(1,154.9)	69.6	(874.5)
Settlement of swap for bonds repaid	17.2	61.4	20.3	61.4
Net interest paid on borrowings and swaps	(81.3)	(79.3)	(177.5)	(200.4)
Purchase of performance shares	(7.6)	(4.8)	(14.5)	(15.0)
Final dividend paid to shareholders of the Company	(1,746.7)	(1,746.6)	(1,746.7)	(1,746.6)
Dividend paid to non-controlling interests	-	(0.3)	-	(0.3)
Others	0.5	-	0.5	-
<b>Net cash used in financing activities</b>	<b>(428.5)</b>	<b>(2,924.5)</b>	<b>(1,848.3)</b>	<b>(2,775.4)</b>
Net change in cash and cash equivalents	82.0	20.2	174.5	127.5
Exchange effects on cash and cash equivalents	0.3	(0.8)	7.5	(9.9)
Cash and cash equivalents at beginning of period	624.6	632.0	524.9	533.8
<b>Cash and cash equivalents at end of period</b>	<b>706.9</b>	<b>651.4</b>	<b>706.9</b>	<b>651.4</b>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS***For the second quarter and half year ended 30 September 2018***Note (1): Payment for acquisition of subsidiary**

The payment in the last corresponding period of S\$337 million was for the acquisition of Turn, Inc. by Amobee, Inc., a wholly-owned subsidiary of the Group.

**Note (2): Payments for acquisition of intangibles and other assets**

On 22 August 2018, Singtel's wholly-owned subsidiary, Amobee Inc., completed the acquisition of the technology platform, intellectual property and certain other assets of Videology, Inc. and its subsidiaries ("**Videology**") for S\$123 million (US\$90 million). The provisional fair values of identifiable net assets and the cash outflow on the acquisition were as follows –

	<b>30 Sep 2018</b> <b>S\$ Mil</b> <b>(Unaudited)</b>
Identifiable intangible assets	27.3
Non-current assets	0.2
Trade and other receivables	12.0
Total liabilities	<u>(0.8)</u>
Net assets acquired	38.7
Provisional goodwill	<u>84.4</u>
<b>Net outflow of cash</b>	<b><u>123.1</u></b>

**Note (3):** In the last corresponding quarter, Singtel sold its 100% interest in NetLink Trust to NetLink NBN Trust for an aggregate consideration of S\$1.89 billion comprising a cash consideration of S\$1.11 billion and 24.79% interest in NetLink NBN Trust. Singtel received net proceeds of S\$1.10 billion in July 2017 and S\$16 million in October 2017. In addition, a unitholder loan of S\$1.10 billion was repaid by NetLink Trust to Singtel.

**Note (4):** For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprised:

<b>Group</b> <b>(Unaudited)</b>	<b>As at 30 Sep</b>	
	<b>2018</b> <b>S\$ Mil</b>	<b>2017</b> <b>S\$ Mil</b>
Fixed deposits	<b>199.3</b>	200.1
Cash and bank balances	<b><u>507.6</u></b>	<u>451.3</u>
	<b><u>706.9</u></b>	<u>651.4</u>



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**1. BASIS OF PREPARATION**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current quarter as the most recent audited financial statements for the year ended, and as at, 31 March 2018, except for the mandatory adoption of all applicable new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and its related interpretations which became effective from 1 April 2018. SFRS(I) are identical to the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The new accounting framework and standards have been retrospectively applied to the financial statements for the previous financial year ended 31 March 2018 and the opening statement of financial position as at 1 April 2017. The application of the new and revised standards has no material effect on the financial statements, except as described below:

SFRS(I) 1, *First-time Adoption of SFRS(I)*

The Group has made the following adjustments to the opening statement of financial position as at 1 April 2017 arising from the transition options:

- (a) The cumulative currency translation loss of the Group has been transferred to retained earnings.
- (b) Fair value has been used as the ‘deemed cost’ for certain property, plant and equipment.

SFRS(I) 15, *Revenue from Contracts with Customers*

SFRS(I) 15 establishes a single comprehensive model of accounting for revenue arising from contracts with customers. The standard requires companies to apportion revenue earned from contracts to performance obligations based on a five-step model on a relative standalone selling price basis. It also introduces new contract cost guidance and requires certain additional disclosures.

The adoption of SFRS(I) 15 resulted in the following key effects at the consolidated level:

- (a) An increase in revenue allocated to sales of equipment, which are fair valued at standalone selling price, and a reduction in mobile service revenue over the customer contract term.
- (b) An increase in cost of sales and a reduction in mobile customer acquisition costs.
- (c) Commission paid to dealers and own sales force are capitalised and amortised as operating expenses over the customer contract term in the income statement. Capitalised contract costs are included in ‘Other assets’ under non-current assets as the economic benefits from these assets are expected to be longer than 12 months.
- (d) An increase in contract assets, comprising mainly unbilled equipment receivables arising from upfront recognition of revenue from sales of equipment. Contract assets are included in ‘Trade and other receivables’ under current assets as they are expected to be realised in the normal operating cycle.
- (e) An increase in contract liabilities, comprising mainly deferred revenue in respect of mobile price plan discount vouchers given. Contract liabilities are included in ‘Trade and other payables’ under current liabilities.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**1. BASIS OF PREPARATION (Continued)**SFRS(I) 9, Financial Instruments

SFRS(I) 9 introduces new requirements for classification and measurement of financial assets and financial liabilities, general hedge accounting and impairment requirements for financial assets. There is no material impact on results upon adoption of SFRS(I) 9.

There are no material differences between the consolidated statement of cash flows presented under SFRS(I) and the previous accounting framework and standards. The reconciliation of the effects of the adoption of the new accounting framework and standards on the Group's net profit, total comprehensive income, and equity for the comparative periods are shown in Note 19.

**2. OPERATING EXPENSES**

The income statement included the following items -

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	Restated	2018	Restated
	S\$ Mil	2017 S\$ Mil	S\$ Mil	2017 S\$ Mil
Impairment of trade receivables	<b>40.8</b>	38.2	<b>79.2</b>	80.6
Allowance for inventory obsolescence (net)	<b>0.1</b>	1.8	<b>0.3</b>	1.2

**3. OTHER INCOME**

Other income included the following items -

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	2017	2018	2017
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Rental income	<b>0.8</b>	0.8	<b>1.6</b>	1.6
Net exchange losses	<b>(1.1)</b>	(4.4)	<b>(1.6)</b>	(5.8)
Net (losses)/ gains on disposal of property, plant and equipment	<b>(0.1)</b>	2.2	<b>7.4</b>	4.0

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***4. DEPRECIATION AND AMORTISATION**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	Restated	2018	Restated
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Depreciation of property, plant and equipment	476.9	497.1	957.5	973.3
Amortisation of intangibles	77.0	79.9	150.1	153.7
Amortisation of deferred gain on sale of a joint venture	-	(0.7)	-	(1.5)
	<b>553.9</b>	<b>576.3</b>	<b>1,107.6</b>	<b>1,125.5</b>

**5. EXCEPTIONAL ITEMS**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	Restated	2018	Restated
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Exceptional gains</b>				
Gain on disposal of property	-	-	105.5	-
Gain on disposal of an associate	-	2,053.2	-	2,053.2
	-	2,053.2	105.5	2,053.2
<b>Exceptional losses</b>				
Impairment of acquired intangibles	-	(77.3)	-	(77.3)
Provision for contingent claims and other charges	(10.3)	(57.1)	(10.3)	(57.1)
Impairment of investments	-	(5.0)	-	(5.0)
Staff restructuring costs	(53.3)	(0.3)	(82.3)	(26.4)
	<b>(63.6)</b>	<b>(139.7)</b>	<b>(92.6)</b>	<b>(165.8)</b>
	<b>(63.6)</b>	<b>1,913.5</b>	<b>12.9</b>	<b>1,887.4</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**6. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018 S\$ Mil	2017 S\$ Mil	2018 S\$ Mil	2017 S\$ Mil
Share of ordinary results	329.9	648.1	745.9	1,381.7
Share of tax of ordinary results	(22.5)	(173.4)	(106.5)	(388.5)
Share of exceptional items (post-tax) <sup>(1)</sup>	69.1	12.3	137.8	9.2
	<b>376.5</b>	<b>487.0</b>	<b>777.2</b>	<b>1,002.4</b>

**Note:**

(1) Comprise share of exceptional items from Airtel and Globe.

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

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018 S\$ Mil	Restated 2017 S\$ Mil	2018 S\$ Mil	Restated 2017 S\$ Mil
Interest income from				
- bank deposits	1.8	2.2	3.4	3.8
- others	0.2	1.5	0.4	8.5
	2.0	3.7	3.8	12.3
Dividends from joint ventures	-	5.4	13.0	10.9
Gross dividends from FVOCI investments	-	1.1	0.2	2.1
Fair value gains/ (losses) on fair value hedges				
- hedged item	13.8	4.5	(3.2)	9.6
- hedging instrument	(13.6)	(4.4)	3.3	(9.2)
	0.2	0.1	0.1	0.4
Fair value (losses)/ gains on cash flow hedges				
- hedged item	(51.3)	64.1	(144.0)	56.6
- hedging instrument	51.3	(64.1)	144.0	(56.6)
	-	-	-	-
Other fair value gains	1.1	0.8	2.1	1.2
Other foreign exchange gains/ (losses)	0.3	(2.2)	6.4	(4.6)
	<b>3.6</b>	<b>8.9</b>	<b>25.6</b>	<b>22.3</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***8. FINANCE COSTS**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	2017	2018	2017
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Interest expense on				
- bonds	78.4	77.8	152.5	155.0
- bank loans	11.8	12.0	22.9	24.8
- finance leases	2.0	3.7	3.9	7.1
	92.2	93.5	179.3	186.9
Financing related costs	4.4	4.9	8.5	10.9
Effects of hedging using interest rate swaps	0.6	1.6	1.6	1.5
	<b>97.2</b>	<b>100.0</b>	<b>189.4</b>	<b>199.3</b>

**9. TAX EXPENSE**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	Restated 2017	2018	Restated 2017
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Current and deferred tax expense attributable to current period's profits	96.9	107.7	229.5	239.6
Current and deferred tax adjustments in respect of prior years	-	-	(0.6)	(0.6)
Withholding and dividend distribution taxes on dividend income from associate and joint ventures	36.0	25.4	138.0	104.4
	<b>132.9</b>	<b>133.1</b>	<b>366.9</b>	<b>343.4</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018 '000	2017 '000	2018 '000	2017 '000
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	16,324,225	16,324,134	16,322,847	16,323,042
Adjustment for dilutive effect of performance share plans	25,308	22,729	25,308	22,729
Weighted average number of ordinary shares for calculation of diluted earnings per share	16,349,533	16,346,863	16,348,155	16,345,771

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

**11. FAIR VALUE MEASUREMENTS**

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

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the assets and liabilities measured at fair value as at 30 September 2018:

<b>Group - 30 Sep 18 (Unaudited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
FVOCI investments				
- Quoted investments	27.8	-	-	<b>27.8</b>
- Unquoted investments	-	-	214.9	<b>214.9</b>
	27.8	-	214.9	<b>242.7</b>
Derivative financial instruments	-	487.8	-	<b>487.8</b>
	27.8	487.8	214.9	<b>730.5</b>
<b>Financial liabilities</b>				
Derivative financial instruments	-	296.9	-	<b>296.9</b>

<b>Restated Group - 31 Mar 18 (Unaudited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
FVOCI investments				
- Quoted investments	10.0	-	-	10.0
- Unquoted investments	-	-	187.9	187.9
	10.0	-	187.9	197.9
Derivative financial instruments	-	429.3	-	429.3
	10.0	429.3	187.9	627.2
<b>Financial liabilities</b>				
Derivative financial instruments	-	364.7	-	364.7

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***11. FAIR VALUE MEASUREMENTS (Continued)**

<b>Company - 30 Sep 18 (Unaudited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
FVOCI investments				
- Quoted investments	6.3	-	-	<b>6.3</b>
Derivative financial instruments	-	219.1	-	<b>219.1</b>
	<u>6.3</u>	<u>219.1</u>	<u>-</u>	<u><b>225.4</b></u>
<b>Financial liabilities</b>				
Derivative financial instruments	-	321.6	-	<b>321.6</b>

<b>Restated Company - 31 Mar 18 (Unaudited)</b>	<b>Level 1 S\$ Mil</b>	<b>Level 2 S\$ Mil</b>	<b>Level 3 S\$ Mil</b>	<b>Total S\$ Mil</b>
<b>Financial assets</b>				
FVOCI investments				
- Quoted investments	5.5	-	-	<b>5.5</b>
Derivative financial instruments	-	200.7	-	<b>200.7</b>
	<u>5.5</u>	<u>200.7</u>	<u>-</u>	<u><b>206.2</b></u>
<b>Financial liabilities</b>				
Derivative financial instruments	-	335.8	-	<b>335.8</b>



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the liabilities not measured at fair value as at 30 September 2018:

30 Sep 18 (Unaudited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
<b>Financial liabilities</b>					
<b>Group</b>					
Bonds	8,934.2	6,151.5	2,927.1	-	9,078.6
<b>Company</b>					
Bonds	755.8	887.0	-	-	887.0

Restated 31 Mar 18 (Unaudited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
<b>Financial liabilities</b>					
<b>Group</b>					
Bonds	7,884.9	5,459.8	2,680.4	-	8,140.2
<b>Company</b>					
Bonds	739.5	879.1	-	-	879.1

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

**Quoted and unquoted investments**

The fair values of investments traded in active markets included within Level 1 were based on the market quoted price or the price quoted by the market maker at the close of business at the end of the reporting period.

The fair values of the unquoted FVOCI investments included within Level 3 were estimated primarily using recent arm's length transactions.

**Derivatives**

Derivatives comprise cross currency swaps, interest rate swaps and forward foreign exchange contracts which are included within Level 2.

The fair value of a cross currency or an interest rate swap is the estimated amount that the swap contract can be exchanged for or settled with under normal market conditions. This fair value can be estimated using the discounted cash flow method where the future cash flows of the swap contract are discounted at the prevailing market foreign exchange rates and interest rates. Market interest rates are actively quoted interest rates or interest rates computed by applying techniques to these actively quoted interest rates.

The fair value of forward foreign exchange contracts is determined using forward exchange market rates for contracts with similar maturity profiles at the end of the reporting period.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**11. FAIR VALUE MEASUREMENTS (Continued)**

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

(Unaudited)	Group		Company	
	30 Sep 18 S\$ Mil	Restated 30 Sep 17 S\$ Mil	30 Sep 18 S\$ Mil	30 Sep 17 S\$ Mil
<b>FVOCI investments - unquoted</b>				
Balance as at 1 April (restated)	187.9	159.6	-	8.3
Total gains included in 'Fair Value Reserve'	13.0	22.2	-	0.7
Additions	24.2	40.1	-	-
Disposals	(1.3)	(25.1)	-	-
Transfer out from Level 3	(9.8)	-	-	-
Translation differences	0.9	(0.4)	-	-
	<b>214.9</b>	<b>196.4</b>	<b>-</b>	<b>9.0</b>

**12. GROUP'S BORROWINGS AND DEBT SECURITIES**

(Unaudited)	Group		Company	
	30 Sep 18 S\$ Mil	Restated 31 Mar 18 S\$ Mil	30 Sep 18 S\$ Mil	Restated 31 Mar 18 S\$ Mil
<b>Unsecured borrowings</b>				
Repayable within one year	1,515.5	1,800.5	-	-
Repayable after one year	9,039.9	8,586.1	755.8	739.5
	<b>10,555.4</b>	<b>10,386.6</b>	<b>755.8</b>	<b>739.5</b>
<b>Secured borrowings</b>				
Repayable within one year	21.1	23.1	3.3	7.4
Repayable after one year	88.6	81.5	68.5	68.5
	<b>109.7</b>	<b>104.6</b>	<b>71.8</b>	<b>75.9</b>
	<b>10,665.1</b>	<b>10,491.2</b>	<b>827.6</b>	<b>815.4</b>

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

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***13. SHARE CAPITAL AND OTHER EQUITY INFORMATION****Share Capital**

Group and Company (Unaudited)	Quarter 30 Sep 18		Half year 30 Sep 18	
	Number of shares	Share capital	Number of shares	Share capital
	Mil	S\$ Mil	Mil	S\$ Mil
Balance as at beginning and end of period	<b>16,329.1</b>	<b>4,127.3</b>	<b>16,329.1</b>	<b>4,127.3</b>

As at 30 September 2018, the issued and paid up capital excluding treasury shares comprised 16,324.1 million (30 September 2017: 16,323.9) ordinary shares.

**Treasury Shares**

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2018	2017	2018	2017
	Balance at beginning of period	<b>4,484,578</b>	4,012,534	<b>7,897,536</b>
Shares transferred to employees under the Singtel Performance Share Plan 2012	<b>(1,413,121)</b>	(24,125)	<b>(5,578,552)</b>	(4,617,206)
Purchase of treasury shares	<b>1,944,085</b>	1,226,060	<b>2,696,558</b>	2,195,374
Balance at end of period	<b>5,015,542</b>	5,214,469	<b>5,015,542</b>	5,214,469

As at 30 September 2018, the number of treasury shares represented 0.03% (30 September 2017: 0.03%) of the total number of issued shares.

During the current quarter, 1,413,121 (30 September 2017: 24,125) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 1,944,085 (30 September 2017: 1,226,060) treasury shares were purchased.

During the half year ended 30 September 2018, 5,578,552 (30 September 2017: 4,617,206) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 2,696,558 (30 September 2017: 2,195,374) treasury shares were purchased.

Except for the transfers, there was no other sale, disposal, cancellation and/or other use of treasury shares for the quarter and half year ended 30 September 2018.

The Company's subsidiaries do not hold shares in the Company as at 30 September 2018 and 30 September 2017.

**Performance Shares**

As at 30 September 2018, the number of outstanding performance shares granted under the Singtel Performance Share Plan 2012 was 38,031,754 (30 September 2017: 37,540,800).

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**14. DIVIDENDS**

On 7 November 2018, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2018: 6.8 cents) per share and special one-tier exempt dividend of nil cent (FY 2018: 3.0 cents) per share, in respect of the current financial year ending 31 March 2019.

The financial statements for the half year ended, and as at, 30 September 2018 have not reflected these dividends. The dividends will be accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the next quarter ending 31 December 2018.

The Transfer Book and the Register of Members of the Company will be closed on 20 December 2018 for the preparation of dividend warrants. Duly completed registrable transfers of the ordinary shares in the capital of the Company received by the Company's share registrar up to 5.00 pm on 19 December 2018 will be registered to determine members' entitlements to the interim dividend.

During the half year ended 30 September 2018, a final one-tier exempt ordinary dividend of 10.7 cents per share totalling S\$1.75 billion was paid in respect of the previous financial year ended 31 March 2018.

**15. NET ASSET VALUE**

	Group		Company	
	As at 30 Sep 18 S\$	Restated As at 31 Mar 18 S\$	As at 30 Sep 18 S\$	Restated As at 31 Mar 18 S\$
<b>(Unaudited)</b>				
<b>Net asset value per ordinary share</b>	<b>1.77</b>	1.82	<b>1.28</b>	1.30

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**16. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES****(a) Guarantees**

As at 30 September 2018,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$588.1 million and S\$164.5 million (31 March 2018: S\$570.4 million and S\$146.4 million) respectively.
- (ii) The Company provided guarantees for loans of S\$940 million (31 March 2018: S\$1.18 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**") with maturities between December 2018 and May 2020.
- (iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$4.51 billion (31 March 2018: S\$4.04 billion) due between November 2018 and August 2028.

- (b) In 2016 and 2017, Singapore Telecom Australia Investments Pty Limited ("**STAI**") received amended assessments from the Australian Taxation Office ("**ATO**") in connection with the acquisition financing of Optus. The assessments comprised of primary tax of A\$268 million, interest of A\$58 million and penalties of A\$67 million. STAI's holding company, Singtel Australia Investment Ltd, would be entitled to refund of withholding tax estimated at A\$89 million.

STAI has objected to the amended assessments.

In accordance with the ATO administrative practice, STAI paid a minimum amount of 50% of the assessed primary tax on 21 November 2016. This payment continued to be recognised as a receivable as at 30 September 2018.

STAI has received advice from external experts in relation to this matter and will vigorously defend its position. Accordingly, no provision has been made as at 30 September 2018.

- (c) The Group is contingently liable for claims arising in the ordinary course of business and from certain tax assessments which are being contested, the outcome of which are not presently determinable. The Group is vigorously defending all these claims.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**17. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES****(a) Bharti Airtel Limited (“Airtel”)**

Airtel, a joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, the local regulator, Department of Telecommunications (“DOT”) issued a demand on Airtel Group for Rs. 52.01 billion (S\$980 million) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S\$1.59 billion).

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

As at 30 September 2018, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 154 billion (S\$2.90 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

**(b) Advanced Info Service Public Company Limited (“AIS”)**

AIS, a joint venture of the Group, has various commercial disputes and significant litigations.

In 2008, CAT Telecom Public Company Limited (“CAT”) demanded that AIS’ subsidiary, Digital Phone Company Limited (“DPC”) pay additional revenue share of THB 3.4 billion (S\$144 million) arising from the abolishment of excise tax. CAT’s claim is still pending appeal before the Supreme Administrative Court.

In 2015, TOT Public Company Limited (“TOT”) demanded that AIS pays additional revenue share of THB 62.8 billion (S\$2.66 billion) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share. This case is pending arbitration.

Between 2011 and 2016, TOT demanded that AIS pays additional revenue share based on gross interconnection income from 2007 to 2015 amounting to THB 36.2 billion (S\$1.53 billion) plus interest. On 17 August 2018, the Arbitration Institute awarded in favour of AIS in deciding that TOT has no right to claim for revenue share on gross interconnection income for the period from 2007 to 2010 amounting to THB 17.8 billion (S\$753 million). The claims for the remaining period from 2011 to 2015 amounting to THB18.4 billion (S\$776 million) are pending arbitration.

Between 2014 to 2016, TOT demanded that AIS pays THB 41.1 billion (S\$1.74 billion) plus interest for the porting of subscribers from 900MHz to 2100MHz network. This case is pending arbitration.

In March 2018, CAT demanded DPC to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S\$568 million) or to pay the same amount plus interest. This case is pending arbitration.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**17. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES (Continued)**

In September 2018, TOT demanded that AIS pays additional revenue share from disputes on roaming rates from July 2013 to September 2015, amounting to THB16.3 billion (S\$688 million).

As at 30 September 2018, there are a number of other claims against AIS and its subsidiaries amounting to THB 30.0 billion (S\$1.27 billion) which are pending adjudication.

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

**(c) Intouch Holdings Public Company Limited (“Intouch”)**

In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited (“**Thaicom**”) received letters from the Ministry of Digital Economy and Society (the “**Ministry**”) stating that Thaicom 7 and Thaicom 8 satellites (the “**Satellites**”) are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the Agreement but instead under the licence from the National Broadcasting and Telecommunications Commission. This case is pending arbitration.

**(d) Globe Telecom, Inc. (“Globe”)**

Globe, a joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe’s management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on Globe’s financial position and results of operations.

In June 2016, the Philippine Competition Commission (“**PCC**”) claimed that the Joint Notice of Acquisition filed by Globe, PLDT and San Miguel Corporation (“**SMC**”) on the acquisition of SMC’s telecommunications business was deficient and cannot be claimed to be deemed approved. In July 2016, Globe filed a petition with the Court of Appeals of the Philippines (“**CA**”) to stop the PCC from reviewing the acquisition. In October 2017, the CA ruled in favour of Globe and PLDT, and declared the acquisition as valid and deemed approved. PCC subsequently elevated the case to the Supreme Court to review the CA’s rulings.

**(e) PT Telekomunikasi Selular (“Telkomsel”)**

As at 30 September 2018, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 71 billion (S\$6 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the second quarter and half year ended 30 September 2018*

**18. GROUP SEGMENT INFORMATION**

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

The Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, mainly AIS and Intouch (which has an equity interest of 40.5% in AIS) 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, United States of America, 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 and professional consulting.

Group Digital Life ("**GDL**") focuses on using the latest internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering adjacent businesses where it has a competitive advantage. It focuses on three key businesses in digital life – digital marketing, regional premium over-the-top 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 measurement of segment results which is before exceptional items, is in line with the basis of information presented to management for internal management reporting purposes.

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



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***18. GROUP SEGMENT INFORMATION (Continued)***For the half year ended 30 September 2018*

Group - 30 Sep 18 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	4,740.7	3,091.7	571.2	-	<b>8,403.6</b>
Operating expenses	(3,282.5)	(2,237.6)	(629.9)	(33.2)	<b>(6,183.2)</b>
Other income/ (expenses)	80.7	34.5	1.0	(1.1)	<b>115.1</b>
<b>Earnings before interest, tax, depreciation and amortisation ("EBITDA")</b>	<b>1,538.9</b>	<b>888.6</b>	<b>(57.7)</b>	<b>(34.3)</b>	<b>2,335.5</b>
Share of pre-tax results of associates and joint ventures					
- Airtel	(239.5)	-	-	-	<b>(239.5)</b>
- Telkomsel	528.0	-	-	-	<b>528.0</b>
- Globe	182.6	-	-	-	<b>182.6</b>
- AIS	172.5	-	-	-	<b>172.5</b>
- Intouch	50.1	-	-	-	<b>50.1</b>
- Others	0.2	-	-	52.0	<b>52.2</b>
	693.9	-	-	52.0	<b>745.9</b>
<b>EBITDA and share of pre-tax results of associates and joint ventures</b>	<b>2,232.8</b>	<b>888.6</b>	<b>(57.7)</b>	<b>17.7</b>	<b>3,081.4</b>
Depreciation and amortisation	(778.1)	(300.4)	(27.9)	(1.2)	<b>(1,107.6)</b>
<b>Earnings before interest and tax ("EBIT")</b>	<b>1,454.7</b>	<b>588.2</b>	<b>(85.6)</b>	<b>16.5</b>	<b>1,973.8</b>
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	6,954.5	-	-	-	<b>6,954.5</b>
- Telkomsel	2,799.7	-	-	-	<b>2,799.7</b>
- Globe	1,074.5	-	-	-	<b>1,074.5</b>
- AIS	817.9	-	-	-	<b>817.9</b>
- Intouch	1,658.0	-	-	-	<b>1,658.0</b>
- Others	24.3	-	-	435.4	<b>459.7</b>
	13,328.9	-	-	435.4	<b>13,764.3</b>
Goodwill on acquisition of subsidiaries	9,191.7	1,207.6	1,137.5	-	<b>11,536.8</b>
Other assets	13,424.8	5,630.4	901.4	2,139.6	<b>22,096.2</b>
	<b>35,940.2</b>	<b>6,843.2</b>	<b>2,038.9</b>	<b>2,575.0</b>	<b>47,397.3</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**18. GROUP SEGMENT INFORMATION (Continued)**

For the half year ended 30 September 2018

Restated Group - 30 Sep 17 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	4,663.6	3,209.1	550.5	-	<b>8,423.2</b>
Operating expenses	(3,144.0)	(2,283.1)	(587.9)	(39.1)	<b>(6,054.1)</b>
Other income	100.0	17.9	0.1	1.8	<b>119.8</b>
<b>EBITDA</b>	<b>1,619.6</b>	<b>943.9</b>	<b>(37.3)</b>	<b>(37.3)</b>	<b>2,488.9</b>
Share of pre-tax results of associates and joint ventures					
- Airtel	169.7	-	-	-	<b>169.7</b>
- Telkomsel	754.4	-	-	-	<b>754.4</b>
- Globe	163.4	-	-	-	<b>163.4</b>
- AIS	164.6	-	-	-	<b>164.6</b>
- Intouch	47.5	-	-	-	<b>47.5</b>
- Others	0.2	-	-	89.1	<b>89.3</b>
	<b>1,299.8</b>	<b>-</b>	<b>-</b>	<b>89.1</b>	<b>1,388.9</b>
<b>EBITDA and share of pre-tax results of associates and joint ventures</b>	<b>2,919.4</b>	<b>943.9</b>	<b>(37.3)</b>	<b>51.8</b>	<b>3,877.8</b>
Depreciation and amortisation	(781.7)	(302.1)	(41.6)	(0.1)	<b>(1,125.5)</b>
<b>EBIT</b>	<b>2,137.7</b>	<b>641.8</b>	<b>(78.9)</b>	<b>51.7</b>	<b>2,752.3</b>

Restated Group - 31 Mar 18 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	7,453.1	-	-	-	<b>7,453.1</b>
- Telkomsel	3,419.8	-	-	-	<b>3,419.8</b>
- Globe	1,017.8	-	-	-	<b>1,017.8</b>
- AIS	776.7	-	-	-	<b>776.7</b>
- Intouch	1,641.6	-	-	-	<b>1,641.6</b>
- Others	23.6	-	-	422.6	<b>446.2</b>
	<b>14,332.6</b>	<b>-</b>	<b>-</b>	<b>422.6</b>	<b>14,755.2</b>
Goodwill on acquisition of subsidiaries	9,192.9	1,167.5	1,011.8	-	<b>11,372.2</b>
Other assets	13,742.3	5,844.7	729.8	2,042.4	<b>22,359.2</b>
	<b>37,267.8</b>	<b>7,012.2</b>	<b>1,741.6</b>	<b>2,465.0</b>	<b>48,486.6</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***18. GROUP SEGMENT INFORMATION (Continued)***For the half year ended 30 September 2018*

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

Group (Unaudited)	30 Sep 18 S\$ Mil	Restated 30 Sep 17 S\$ Mil
<b>EBIT</b>	<b>1,973.8</b>	<b>2,752.3</b>
Exceptional items	12.9	1,887.4
Share of exceptional items of associates and joint ventures (post-tax)	137.8	2.0
Share of tax of associates and joint ventures	(106.5)	(388.5)
<b>Profit before interest, investment income (net) and tax</b>	<b>2,018.0</b>	<b>4,253.2</b>
Interest and investment income (net)	25.6	22.3
Finance costs	(189.4)	(199.3)
<b>Profit before tax</b>	<b>1,854.2</b>	<b>4,076.2</b>

The Group's revenue from its major products and services are as follows -

Group (Unaudited)	30 Sep 18 S\$ Mil	Restated 30 Sep 17 S\$ Mil
Mobile service	2,745.7	2,888.9
Data and Internet	1,645.0	1,713.0
Infocomm Technology (ICT)	1,424.0	1,489.1
Sale of equipment	1,233.8	965.1
Digital businesses	584.3	566.5
Fixed voice	488.3	565.7
Pay television	207.1	190.8
Others	75.4	44.1
<b>Operating revenue</b>	<b>8,403.6</b>	<b>8,423.2</b>

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 38% (30 September 2017: 38%) and 52% (30 September 2017: 52%) of the total revenue for the half year ended 30 September 2018, with the remaining 10% (30 September 2017: 10%) from the United States of America and other countries where the Group operates in. The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**19. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME, AND EQUITY**

The following reconciliations provide a quantification of the effects of the adoption of SFRS(I) 1, SFRS(I) 9 and SFRS(I) 15.

**Reconciliation of income statement for the quarter ended 30 September 2017**

<b>Group (Unaudited)</b>	<b>30 Sep 17 S\$ Mil</b>	<b>Adjustments S\$ Mil</b>	<b>Restated 30 Sep 17 S\$ Mil</b>
Operating revenue	4,369.8	(102.1)	4,267.7
Operating expenses	(3,125.3)	59.0	(3,066.3)
Other income	47.1	-	47.1
	<u>1,291.6</u>	<u>(43.1)</u>	<u>1,248.5</u>
Depreciation and amortisation	(598.9)	22.6	(576.3)
	<u>692.7</u>	<u>(20.5)</u>	<u>672.2</u>
Exceptional items	1,933.3	(19.8)	1,913.5
<b>Profit on operating activities</b>	<b>2,626.0</b>	<b>(40.3)</b>	<b>2,585.7</b>
Share of results of associates and joint ventures	487.0	-	487.0
<b>Profit before interest, investment income (net) and tax</b>	<b>3,113.0</b>	<b>(40.3)</b>	<b>3,072.7</b>
Interest and investment income (net)	8.9	-	8.9
Finance costs	(100.0)	-	(100.0)
<b>Profit before tax</b>	<b>3,021.9</b>	<b>(40.3)</b>	<b>2,981.6</b>
Tax expense	(138.8)	5.7	(133.1)
<b>Profit after tax</b>	<b>2,883.1</b>	<b>(34.6)</b>	<b>2,848.5</b>
<b>Attributable to:</b>			
Shareholders of the Company	2,889.0	(34.6)	2,854.4
Non-controlling interests	(5.9)	-	(5.9)
	<u>2,883.1</u>	<u>(34.6)</u>	<u>2,848.5</u>
<b>Earnings per share attributable to shareholders of the Company</b>			
- basic	17.70¢		17.49¢
- diluted	17.67¢		17.46¢

**Reconciliation of comprehensive income for the quarter ended 30 September 2017**

<b>Group (Unaudited)</b>	<b>30 Sep 17 S\$ Mil</b>	<b>Adjustments S\$ Mil</b>	<b>Restated 30 Sep 17 S\$ Mil</b>
Profit after tax	2,883.1	(34.6)	2,848.5
Other comprehensive loss, net of tax	(28.8)	16.0	(12.8)
<b>Total comprehensive income</b>	<b>2,854.3</b>	<b>(18.6)</b>	<b>2,835.7</b>
<b>Attributable to:</b>			
Shareholders of the Company	2,860.5	(18.6)	2,841.9
Non-controlling interests	(6.2)	-	(6.2)
	<u>2,854.3</u>	<u>(18.6)</u>	<u>2,835.7</u>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the second quarter and half year ended 30 September 2018***19. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME, AND EQUITY (Continued)****Reconciliation of income statement for the half year ended 30 September 2017**

<b>Group (Unaudited)</b>	<b>30 Sep 17 S\$ Mil</b>	<b>Adjustments S\$ Mil</b>	<b>Restated 30 Sep 17 S\$ Mil</b>
Operating revenue	8,602.0	(178.8)	8,423.2
Operating expenses	(6,160.8)	106.7	(6,054.1)
Other income	119.8	-	119.8
	<u>2,561.0</u>	<u>(72.1)</u>	<u>2,488.9</u>
Depreciation and amortisation	(1,170.7)	45.2	(1,125.5)
	<u>1,390.3</u>	<u>(26.9)</u>	<u>1,363.4</u>
Exceptional items	1,907.9	(20.5)	1,887.4
<b>Profit on operating activities</b>	<b>3,298.2</b>	<b>(47.4)</b>	<b>3,250.8</b>
Share of results of associates and joint ventures	1,002.4	-	1,002.4
<b>Profit before interest, investment income (net) and tax</b>	<b>4,300.6</b>	<b>(47.4)</b>	<b>4,253.2</b>
Interest and investment income (net)	20.4	1.9	22.3
Finance costs	(199.3)	-	(199.3)
<b>Profit before tax</b>	<b>4,121.7</b>	<b>(45.5)</b>	<b>4,076.2</b>
Tax expense	(352.5)	9.1	(343.4)
<b>Profit after tax</b>	<b>3,769.2</b>	<b>(36.4)</b>	<b>3,732.8</b>
<b>Attributable to:</b>			
Shareholders of the Company	3,780.6	(36.4)	3,744.2
Non-controlling interests	(11.4)	-	(11.4)
	<u>3,769.2</u>	<u>(36.4)</u>	<u>3,732.8</u>
<b>Earnings per share attributable to shareholders of the Company</b>			
- basic	23.16¢		22.94¢
- diluted	23.13¢		22.91¢

**Reconciliation of comprehensive income for the half year ended 30 September 2017**

<b>Group (Unaudited)</b>	<b>30 Sep 17 S\$ Mil</b>	<b>Adjustments S\$ Mil</b>	<b>Restated 30 Sep 17 S\$ Mil</b>
Profit after tax	3,769.2	(36.4)	3,732.8
Other comprehensive loss, net of tax	(264.8)	11.5	(253.3)
<b>Total comprehensive income</b>	<b>3,504.4</b>	<b>(24.9)</b>	<b>3,479.5</b>
<b>Attributable to:</b>			
Shareholders of the Company	3,516.0	(24.9)	3,491.1
Non-controlling interests	(11.6)	-	(11.6)
	<u>3,504.4</u>	<u>(24.9)</u>	<u>3,479.5</u>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the second quarter and half year ended 30 September 2018

**19. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME, AND EQUITY (Continued)****Reconciliation of Statement of Financial Position as at 31 March 2018**

Group	(Audited) As at 31 Mar 18 S\$ Mil	Adjustments S\$ Mil	(Restated) As at 31 Mar 18 S\$ Mil
<b>Current assets</b>			
Cash and cash equivalents	524.9	-	524.9
Trade and other receivables	5,035.4	782.5	5,817.9
Inventories	397.4	-	397.4
Derivative financial instruments	23.2	(0.6)	22.6
	<b>5,980.9</b>	<b>781.9</b>	<b>6,762.8</b>
<b>Non-current assets</b>			
Property, plant and equipment	11,800.8	(346.7)	11,454.1
Intangible assets	13,969.1	-	13,969.1
Joint ventures	12,782.6	(28.0)	12,754.6
Associates	2,005.5	(4.9)	2,000.6
Available-for-sale investments	197.9	(197.9)	-
Fair value through other comprehensive income investments	-	197.9	197.9
Derivative financial instruments	409.6	(2.9)	406.7
Deferred tax assets	360.1	(7.1)	353.0
Trade and other receivables	747.2	(747.2)	-
Other assets	-	587.8	587.8
	<b>42,272.8</b>	<b>(549.0)</b>	<b>41,723.8</b>
<b>Total assets</b>	<b>48,253.7</b>	<b>232.9</b>	<b>48,486.6</b>
<b>Current liabilities</b>			
Trade and other payables	5,233.9	137.1	5,371.0
Advance billings	794.1	-	794.1
Current tax liabilities	351.3	-	351.3
Borrowings (unsecured)	1,800.5	-	1,800.5
Borrowings (secured)	23.1	-	23.1
Derivative financial instruments	70.0	(0.7)	69.3
Net deferred gain	20.1	-	20.1
	<b>8,293.0</b>	<b>136.4</b>	<b>8,429.4</b>
<b>Non-current liabilities</b>			
Advance billings	225.1	-	225.1
Deferred tax liabilities	520.4	15.2	535.6
Borrowings (unsecured)	8,525.1	61.0	8,586.1
Borrowings (secured)	81.5	-	81.5
Derivative financial instruments	302.2	(6.8)	295.4
Net deferred gain	357.7	-	357.7
Other non-current liabilities	295.1	-	295.1
	<b>10,307.1</b>	<b>69.4</b>	<b>10,376.5</b>
<b>Total liabilities</b>	<b>18,600.1</b>	<b>205.8</b>	<b>18,805.9</b>
<b>Net assets</b>	<b>29,653.6</b>	<b>27.1</b>	<b>29,680.7</b>
<b>Share capital and reserves</b>			
Share capital	4,127.3	-	4,127.3
Reserves	25,551.9	27.1	25,579.0
<b>Equity attributable to shareholders of the Company</b>	<b>29,679.2</b>	<b>27.1</b>	<b>29,706.3</b>
Non-controlling interests	(3.2)	-	(3.2)
Other reserve	(22.4)	-	(22.4)
<b>Total equity</b>	<b>29,653.6</b>	<b>27.1</b>	<b>29,680.7</b>

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2018

## 19. RECONCILIATIONS OF PROFIT, COMPREHENSIVE INCOME, AND EQUITY (Continued)

## Reconciliation of Statement of Financial Position as at 31 March 2018

Company	(Audited) As at 31 Mar 18 S\$ Mil	Adjustments S\$ Mil	(Restated) As at 31 Mar 18 S\$ Mil
<b>Current assets</b>			
Cash and cash equivalents	92.0	-	92.0
Trade and other receivables	506.7	-	506.7
Due from subsidiaries	1,817.2	-	1,817.2
Inventories	21.8	-	21.8
Derivative financial instruments	70.1	-	70.1
	<b>2,507.8</b>	<b>-</b>	<b>2,507.8</b>
<b>Non-current assets</b>			
Property, plant and equipment	2,303.9	(44.5)	2,259.4
Subsidiaries	19,425.9	-	19,425.9
Joint ventures	22.8	-	22.8
Associates	24.7	-	24.7
Available-for-sale investments	5.5	(5.5)	-
Fair value through other comprehensive income investments	-	5.5	5.5
Derivative financial instruments	134.1	(3.5)	130.6
Trade and other receivables	143.7	(143.7)	-
Other assets	-	144.9	144.9
	<b>22,060.6</b>	<b>(46.8)</b>	<b>22,013.8</b>
<b>Total assets</b>	<b>24,568.4</b>	<b>(46.8)</b>	<b>24,521.6</b>
<b>Current liabilities</b>			
Trade and other payables	959.7	-	959.7
Due to subsidiaries	508.7	-	508.7
Advance billings	80.1	-	80.1
Current tax liabilities	101.5	-	101.5
Borrowings (secured)	7.4	-	7.4
Derivative financial instruments	84.9	-	84.9
	<b>1,742.3</b>	<b>-</b>	<b>1,742.3</b>
<b>Non-current liabilities</b>			
Advance billings	136.7	-	136.7
Deferred tax liabilities	275.6	(7.4)	268.2
Borrowings (unsecured)	673.2	66.3	739.5
Borrowings (secured)	68.5	-	68.5
Derivative financial instruments	279.0	(28.1)	250.9
Other non-current liabilities	31.4	-	31.4
	<b>1,464.4</b>	<b>30.8</b>	<b>1,495.2</b>
<b>Total liabilities</b>	<b>3,206.7</b>	<b>30.8</b>	<b>3,237.5</b>
<b>Net assets</b>	<b>21,361.7</b>	<b>(77.6)</b>	<b>21,284.1</b>
<b>Share capital and reserves</b>			
Share capital	4,127.3	-	4,127.3
Reserves	17,234.4	(77.6)	17,156.8
<b>Total equity</b>	<b>21,361.7</b>	<b>(77.6)</b>	<b>21,284.1</b>

**OTHER INFORMATION**

20. The statements of financial position as at 30 September 2018 and the income statement, statement of comprehensive income, changes in equity and cash flows for the second quarter and half year ended 30 September 2018 presented in this announcement have not been audited, but have been reviewed by KPMG LLP in Singapore in accordance with the Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (see review report on page 41 of this announcement).

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

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2018.

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

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2018.

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

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2018.

24. **INTERESTED PERSON TRANSACTIONS**

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

25. **CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)**

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

26. **SUBSEQUENT EVENTS**

(a) On 10 October 2018, Singtel's wholly-owned subsidiary, Optus Cyber Security Pty Limited, entered into a conditional agreement to acquire 100% of the shares in Hivint Pty Limited, a cyber security consulting company in Australia, for an aggregate consideration of up to A\$23.3 million (S\$23 million).

(b) On 24 October 2018, Singtel's wholly-owned subsidiary, Singapore Telecom International Pte Ltd, completed the subscription of 168,408,705 new ordinary shares of Airtel Africa Limited for an aggregate consideration of US\$250 million (S\$344 million).



**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter and half year ended 30 September 2018 to be false or misleading in any material aspect.

On behalf of the Board of Directors

**Bobby Chin**  
Chairman of Audit Committee

**Chua Sock Koong**  
Director

Singapore  
7 November 2018



**KPMG LLP**  
 16 Raffles Quay #22-00  
 Hong Leong Building  
 Singapore 048581

Telephone +65 6213 3388  
 Fax +65 6225 0984  
 Internet kpmg.com.sg

## **Independent auditor's review report**

The Board of Directors  
 Singapore Telecommunications Limited

### **Report on review of interim financial information as of and for the second quarter and half year ended 30 September 2018**

#### ***Introduction***

We have reviewed the accompanying financial statements of Singapore Telecommunications Limited ("the Company") and its Subsidiaries ("the Group"), which comprised the statements of financial position of the Group and Company as at 30 September 2018 and the related consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the second quarter and half year then ended and the notes, comprising a summary of significant accounting policies and other explanatory notes (the "Condensed Interim Financial Information"). Management is responsible for the preparation and presentation of this Condensed Interim Financial Information in accordance with Singapore Financial Reporting Standard (International) ("SFRS(I)") 1-34 Interim Financial Reporting. Our responsibility is to express a conclusion on this Condensed Interim Financial Information based on our review.

The financial statements for the year ended 31 March 2018 were audited by another auditor whose report dated 16 May 2018 expressed an unmodified opinion on those statements. The Interim Financial Information for the second quarter and half year ended 30 September 2017 was reviewed by another auditor whose report dated 8 November 2017 was unmodified.

#### ***Scope of review***

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

#### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Information is not prepared, in all material respects, in accordance with SFRS(I) 1-34 *Interim Financial Reporting*.



*Singapore Telecommunications Limited (the Company)  
and its subsidiary companies (the Group)  
Report on review of interim financial information as of  
and for the second quarter and half year ended  
30 September 2018*

***Restriction on use***

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Information for the purpose of assisting the Company to meet the requirements of paragraph 3 of Appendix 7.2 of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company's announcement of its interim financial information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

*KPMG LLP*

**KPMG LLP**  
*Public Accountants and  
Chartered Accountants*

Singapore  
7 November 2018