



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE THIRD QUARTER AND NINE MONTHS ENDED
31 DECEMBER 2017**

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CONSOLIDATED INCOME STATEMENT*For the third quarter and nine months ended 31 December 2017*

		Quarter 31 Dec		Nine Months 31 Dec	
	Notes	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)
Operating revenue		4,603.4	4,409.5	13,205.4	12,403.7
Operating expenses	2	(3,390.8)	(3,235.5)	(9,551.6)	(8,868.5)
Other income	3	80.8	46.7	200.6	154.1
		1,293.4	1,220.7	3,854.4	3,689.3
Depreciation and amortisation	4	(585.4)	(562.3)	(1,756.1)	(1,654.3)
		708.0	658.4	2,098.3	2,035.0
Exceptional items	5	35.6	0.3	1,943.5	(26.8)
Profit on operating activities		743.6	658.7	4,041.8	2,008.2
Share of results of associates and joint ventures	6	383.6	484.6	1,386.0	1,547.9
Profit before interest, investment income (net) and tax		1,127.2	1,143.3	5,427.8	3,556.1
Interest and investment income (net)	7	15.0	54.4	35.4	99.4
Finance costs	8	(95.3)	(95.5)	(294.6)	(276.8)
Profit before tax		1,046.9	1,102.2	5,168.6	3,378.7
Tax expense	9	(164.7)	(135.4)	(517.2)	(503.3)
Profit after tax		882.2	966.8	4,651.4	2,875.4
Attributable to:					
Shareholders of the Company		890.2	972.8	4,670.8	2,889.4
Non-controlling interests		(8.0)	(6.0)	(19.4)	(14.0)
		882.2	966.8	4,651.4	2,875.4
Earnings per share attributable to shareholders of the Company					
- basic	10	5.45¢	6.03¢	28.61¢	18.06¢
- diluted	10	5.45¢	6.02¢	28.58¢	18.03¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the third quarter and nine months ended 31 December 2017*

	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit after tax	882.2	966.8	4,651.4	2,875.4
Other comprehensive income/ (loss)				
Items that may be reclassified subsequently to income statement:				
Exchange differences arising from translation of foreign operations and other currency translation differences for the period	(228.0)	531.7	(648.4)	344.4
Cash flow hedges				
- Fair value changes.	(43.1)	252.9	(50.2)	323.8
- Tax effects	(9.1)	(20.9)	(30.9)	(17.9)
	(52.2)	232.0	(81.1)	305.9
- Fair value changes transferred to income statement	8.1	(132.1)	37.3	(182.6)
- Tax effects	8.4	10.3	25.7	9.6
	16.5	(121.8)	63.0	(173.0)
	(35.7)	110.2	(18.1)	132.9
Fair value changes on available-for-sale investments during the period	(4.0)	10.0	(1.6)	19.5
Share of other comprehensive gain/ (loss) of associates and joint ventures	513.0	(91.1)	648.6	(105.4)
Other comprehensive income/ (loss), net of tax	245.3	560.8	(19.5)	391.4
Total comprehensive income	1,127.5	1,527.6	4,631.9	3,266.8
Attributable to:				
Shareholders of the Company	1,134.7	1,533.7	4,650.7	3,280.7
Non-controlling interests	(7.2)	(6.1)	(18.8)	(13.9)
	1,127.5	1,527.6	4,631.9	3,266.8

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2017

	Notes	Group		Company	
		As at 31 Dec 17 S\$ Mil (Unaudited)	As at 31 Mar 17 S\$ Mil (Audited)	As at 31 Dec 17 S\$ Mil (Unaudited)	As at 31 Mar 17 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		840.9	533.8	133.3	89.2
Trade and other receivables		5,353.7	4,924.2	469.1	523.5
Due from subsidiaries		-	-	3,821.5	1,149.8
Derivative financial instruments		30.7	107.3	81.9	107.1
Inventories		579.4	352.2	27.2	23.8
		6,804.7	5,917.5	4,533.0	1,893.4
Non-current assets					
Property, plant and equipment		11,606.9	11,892.9	2,198.5	2,326.5
Intangible assets		14,127.4	13,072.8	-	-
Subsidiaries		-	-	19,086.5	17,441.0
Joint ventures		12,498.6	12,282.9	22.8	23.0
Associates		1,975.4	1,952.2	24.7	603.5
Loan to an associate ⁽¹⁾		-	1,100.5	-	1,100.5
Available-for-sale investments ("AFS")		226.9	192.9	41.0	37.4
Derivative financial instruments		394.2	455.2	160.9	284.9
Deferred tax assets ⁽¹⁾		416.8	657.8	-	-
Trade and other receivables		795.3	769.5	164.2	155.1
		42,041.5	42,376.7	21,698.6	21,971.9
Total assets		48,846.2	48,294.2	26,231.6	23,865.3
Current liabilities					
Trade and other payables		5,208.2	4,922.4	784.7	880.0
Due to subsidiaries		-	-	1,182.8	722.0
Advance billings		819.2	835.4	82.2	74.8
Current tax liabilities		345.8	296.3	106.2	100.6
Borrowings (unsecured)	12	1,664.8	3,046.9	-	-
Borrowings (secured)	12	19.7	86.7	1.6	1.5
Derivative financial instruments		73.4	15.8	89.7	110.0
Net deferred gain ⁽¹⁾		20.1	68.8	-	-
Dividend payable		1,600.3	-	1,600.3	-
		9,751.5	9,272.3	3,847.5	1,888.9
Non-current liabilities					
Borrowings (unsecured)	12	7,696.4	7,852.7	698.2	746.2
Borrowings (secured)	12	87.9	199.6	76.2	157.2
Derivative financial instruments		301.8	303.1	293.9	370.0
Advance billings		246.6	245.7	146.5	138.3
Net deferred gain ⁽¹⁾		371.1	1,282.7	-	-
Deferred tax liabilities		538.1	574.6	311.5	282.2
Other non-current liabilities		347.7	349.9	37.0	23.7
		9,589.6	10,808.3	1,563.3	1,717.6
Total liabilities		19,341.1	20,080.6	5,410.8	3,606.5
Net assets		29,505.1	28,213.6	20,820.8	20,258.8
Share capital and reserves					
Share capital	13	4,127.3	4,127.3	4,127.3	4,127.3
Reserves		25,401.8	24,086.3	16,693.5	16,131.5
Equity attributable to shareholders of the Company		29,529.1	28,213.6	20,820.8	20,258.8
Non-controlling interests		(1.6)	22.4	-	-
Other reserve		(22.4)	(22.4)	-	-
Total equity		29,505.1	28,213.6	20,820.8	20,258.8

Note (1): The loan to NetLink Trust was fully repaid and deferred gains (after tax) of S\$1.10 billion were released to the income statement following the disposal of 75.2% effective interest in NetLink Trust in July 2017.

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the third quarter ended 31 December 2017*

	Attributable to shareholders of the Company									Non-controlling Interests	Other Reserve ⁽⁴⁾	Total Equity
	Share Capital	Treasury Shares ⁽¹⁾	Capital Reserve	Currency Translation Reserve ⁽²⁾	Hedging Reserve	Fair Value Reserve	Retained Earnings	Other Reserves ⁽³⁾	Total			
Group - 2017	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Balance as at 1 October 2017	4,127.3	(23.0)	(110.2)	(4,927.7)	28.7	59.4	31,527.9	(692.1)	29,990.3	10.6	(22.4)	29,978.5
Changes in equity for the quarter												
Performance shares purchased by Trust ⁽⁵⁾	-	(4.4)	-	-	-	-	-	-	(4.4)	-	-	(4.4)
Performance shares vested	-	0.1	(0.1)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	7.1	-	-	-	-	-	7.1	0.1	-	7.2
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.1)	-	(5.1)
Interim dividend payable	-	-	-	-	-	-	(1,110.4)	-	(1,110.4)	-	-	(1,110.4)
Special dividend payable	-	-	-	-	-	-	(489.9)	-	(489.9)	-	-	(489.9)
Others	-	-	-	-	-	-	1.7	-	1.7	-	-	1.7
	-	(4.3)	7.0	-	-	-	(1,598.6)	-	(1,595.9)	(5.0)	-	(1,600.9)
Total comprehensive (loss)/ income for the quarter	-	-	-	(228.8)	(35.7)	(4.0)	890.2	513.0	1,134.7	(7.2)	-	1,127.5
Balance as at 31 December 2017	4,127.3	(27.3)	(103.2)	(5,156.5)	(7.0)	55.4	30,819.5	(179.1)	29,529.1	(1.6)	(22.4)	29,505.1

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the third quarter ended 31 December 2017*

Group - 2016	Currency								Non-			
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil	controlling Interests S\$ Mil	Other Reserve ⁽⁴⁾ S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2016	2,634.0	(20.6)	(117.4)	(5,127.8)	17.7	50.0	28,666.5	(1,065.6)	25,036.8	28.5	(22.4)	25,042.9
Changes in equity for the quarter												
Issue of new shares	1,494.0	-	-	-	-	-	-	-	1,494.0	-	-	1,494.0
Performance shares purchased by Trust ⁽⁵⁾	-	(6.0)	-	-	-	-	-	-	(6.0)	-	-	(6.0)
Performance shares vested	-	0.1	(0.1)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	3.3	-	-	-	-	-	3.3	0.1	-	3.4
Transfer of liability to equity	-	-	0.1	-	-	-	-	-	0.1	-	-	0.1
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	12.9	-	12.9
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4.8)	-	(4.8)
Interim dividend payable	-	-	-	-	-	-	(1,110.4)	-	(1,110.4)	-	-	(1,110.4)
Others	-	-	-	-	-	-	-	0.2	0.2	-	-	0.2
	1,494.0	(5.9)	3.3	-	-	-	(1,110.4)	0.2	381.2	8.2	-	389.4
Total comprehensive income/ (loss) for the quarter	-	-	-	531.8	110.2	10.0	972.8	(91.1)	1,533.7	(6.1)	-	1,527.6
Balance as at 31 December 2016	4,128.0	(26.5)	(114.1)	(4,596.0)	127.9	60.0	28,528.9	(1,156.5)	26,951.7	30.6	(22.4)	26,959.9

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the third quarter ended 31 December 2017*

Company - 2017	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 October 2017	4,127.3	42.0	64.9	31.6	17,306.8	21,572.6
Changes in equity for the quarter						
Equity-settled share based payment	-	2.7	-	-	-	2.7
Contribution to Trust ⁽⁵⁾	-	(3.3)	-	-	-	(3.3)
Interim dividend payable	-	-	-	-	(1,110.4)	(1,110.4)
Special dividend payable	-	-	-	-	(489.9)	(489.9)
	-	(0.6)	-	-	(1,600.3)	(1,600.9)
Total comprehensive (loss)/ income for the quarter	-	-	(10.4)	(0.3)	859.8	849.1
Balance as at 31 December 2017	4,127.3	41.4	54.5	31.3	16,566.3	20,820.8

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the third quarter ended 31 December 2017*

Company - 2016	Share Capital S\$ Mil	Capital Reserve S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserve S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2016	2,634.0	(67.0)	80.0	26.2	15,812.1	(0.2)	18,485.1
Changes in equity for the quarter							
Issue of new shares ⁽⁶⁾	1,494.0	109.1	-	-	-	-	1,603.1
Equity-settled share based payment	-	2.6	-	-	-	-	2.6
Transfer of liability to equity	-	0.1	-	-	-	-	0.1
Contribution to Trust ⁽⁵⁾	-	(5.0)	-	-	-	-	(5.0)
Interim dividend payable	-	-	-	-	(1,110.4)	-	(1,110.4)
Others	-	-	-	-	-	0.2	0.2
	1,494.0	106.8	-	-	(1,110.4)	0.2	490.6
Total comprehensive income for the quarter	-	-	33.4	0.3	501.7	-	535.4
Balance as at 31 December 2016	4,128.0	39.8	113.4	26.5	15,203.4	-	19,511.1

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 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 relates to a reserve for an obligation arising from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("**Trustwave**"). When exercised under certain conditions, this will require Singtel to purchase 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.
- (6) The amount credited to 'Capital Reserve' relates to fair value adjustment on the new shares issued on completion of the acquisitions of equity interest in Intouch Holdings Public Company Limited and Bharti Telecom Limited.

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the nine months ended 31 December 2017*

Group - 2017	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Other Reserve ⁽⁴⁾ S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Currency					Total S\$ Mil			
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil				
Balance as at 1 April 2017	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
Changes in equity for the period												
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	-	-	(1.4)	-	-	(1.4)
Performance shares purchased by Trust ⁽⁵⁾	-	(11.3)	-	-	-	-	-	-	(11.3)	-	-	(11.3)
Performance shares vested	-	17.9	(17.9)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	25.2	-	-	-	-	-	25.2	0.2	-	25.4
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 Singtel Optus Pty Limited ("Optus") and vested	-	-	(6.6)	-	-	-	-	-	(6.6)	-	-	(6.6)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(5.4)	-	(5.4)
Final dividend paid	-	-	-	-	-	-	(1,746.6)	-	(1,746.6)	-	-	(1,746.6)
Interim dividend payable	-	-	-	-	-	-	(1,110.4)	-	(1,110.4)	-	-	(1,110.4)
Special dividend payable	-	-	-	-	-	-	(489.9)	-	(489.9)	-	-	(489.9)
Others	-	-	-	-	-	-	1.7	-	1.7	-	-	1.7
	-	5.2	4.8	-	-	-	(3,345.2)	-	(3,335.2)	(5.2)	-	(3,340.4)
Total comprehensive (loss)/ income for the period	-	-	-	(649.0)	(18.1)	(1.6)	4,670.8	648.6	4,650.7	(18.8)	-	4,631.9
Balance as at 31 December 2017	4,127.3	(27.3)	(103.2)	(5,156.5)	(7.0)	55.4	30,819.5	(179.1)	29,529.1	(1.6)	(22.4)	29,505.1

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the nine months ended 31 December 2017*

Group - 2016	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Other Reserve ⁽⁴⁾ S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil			
Balance as at 1 April 2016	2,634.0	(30.6)	(116.4)	(4,940.3)	(5.0)	40.5	28,456.9	(1,049.9)	24,989.2	35.7	(22.4)	25,002.5
Changes in equity for the period												
Issue of new shares	1,494.0	-	-	-	-	-	-	-	1,494.0	-	-	1,494.0
Performance shares purchased by the Company	-	(1.0)	-	-	-	-	-	-	(1.0)	-	-	(1.0)
Performance shares purchased by Trust ⁽⁵⁾	-	(13.1)	-	-	-	-	-	-	(13.1)	-	-	(13.1)
Performance shares vested	-	18.2	(18.2)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	20.4	-	-	-	-	-	20.4	0.7	-	21.1
Transfer of liability to equity	-	-	4.7	-	-	-	-	-	4.7	-	-	4.7
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	-	(0.3)
Performance shares purchased by Optus and vested	-	-	(7.0)	-	-	-	-	-	(7.0)	-	-	(7.0)
Share of other reserves of associates and joint ventures	-	-	2.7	-	-	-	-	(2.7)	-	-	-	-
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	12.9	-	12.9
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(4.8)	-	(4.8)
Interim dividend payable	-	-	-	-	-	-	(1,110.4)	-	(1,110.4)	-	-	(1,110.4)
Final dividend paid	-	-	-	-	-	-	(1,705.5)	-	(1,705.5)	-	-	(1,705.5)
Others	-	-	-	-	-	-	(1.5)	1.5	-	-	-	-
	1,494.0	4.1	2.3	-	-	-	(2,817.4)	(1.2)	(1,318.2)	8.8	-	(1,309.4)
Total comprehensive income/ (loss) for the period	-	-	-	344.3	132.9	19.5	2,889.4	(105.4)	3,280.7	(13.9)	-	3,266.8
Balance as at 31 December 2016	4,128.0	(26.5)	(114.1)	(4,596.0)	127.9	60.0	28,528.9	(1,156.5)	26,951.7	30.6	(22.4)	26,959.9

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the nine months ended 31 December 2017*

Company - 2017	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ 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	4,127.3	(0.9)	38.3	60.3	27.7	16,006.1	20,258.8
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	-	-	9.4	-	-	-	9.4
Transfer of liability to equity	-	-	4.2	-	-	-	4.2
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁵⁾	-	-	(8.1)	-	-	-	(8.1)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
Interim dividend payable	-	-	-	-	-	(1,110.4)	(1,110.4)
Special dividend payable	-	-	-	-	-	(489.9)	(489.9)
	-	0.9	3.1	-	-	(3,347.5)	(3,343.5)
Total comprehensive (loss)/ income for the period	-	-	-	(5.8)	3.6	3,907.7	3,905.5
Balance as at 31 December 2017	4,127.3	-	41.4	54.5	31.3	16,566.3	20,820.8

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the nine months ended 31 December 2017*

Company - 2016	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ 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 2016	2,634.0	(1.2)	(71.3)	46.7	25.5	15,600.1	18,233.8
Changes in equity for the period							
Issue of new shares ⁽⁶⁾	1,494.0	-	109.1	-	-	-	1,603.1
Performance shares purchased by the Company	-	(1.0)	-	-	-	-	(1.0)
Performance shares vested	-	2.2	(2.2)	-	-	-	-
Equity-settled share based payment	-	-	9.6	-	-	-	9.6
Transfer of liability to equity	-	-	4.9	-	-	-	4.9
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	-	(10.0)	-	-	-	(10.0)
Interim dividend payable	-	-	-	-	-	(1,110.4)	(1,110.4)
Final dividend paid	-	-	-	-	-	(1,706.0)	(1,706.0)
	1,494.0	1.2	111.1	-	-	(2,816.4)	(1,210.1)
Total comprehensive income for the period	-	-	-	66.7	1.0	2,419.7	2,487.4
Balance as at 31 December 2016	4,128.0	-	39.8	113.4	26.5	15,203.4	19,511.1

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with **FRS 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 relates to a reserve for an obligation arising from a put option written with the non-controlling shareholder of Trustwave. When exercised under certain conditions, this will require Singtel to purchase 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.
- (6) The amount credited to 'Capital Reserve' relates to fair value adjustment on the new shares issued on completion of the acquisitions of equity interest in Intouch Holdings Public Company Limited and Bharti Telecom Limited.

CONSOLIDATED STATEMENT OF CASH FLOWS*For the third quarter and nine months ended 31 December 2017*

	Quarter 31 Dec		Nine Months 31 Dec	
	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)
Cash Flows from Operating Activities				
Profit before tax	1,046.9	1,102.2	5,168.6	3,378.7
Adjustments for				
Depreciation and amortisation	585.4	562.3	1,756.1	1,654.3
Exceptional items (non-cash)	(6.2)	(6.6)	(1,940.5)	(11.2)
Interest and investment income (net)	(15.0)	(54.4)	(35.4)	(99.4)
Finance costs	95.3	95.5	294.6	276.8
Share of results of associates and joint ventures (post-tax)	(383.6)	(484.6)	(1,386.0)	(1,547.9)
Other non-cash items	10.2	2.4	25.5	13.4
	286.1	114.6	(1,285.7)	286.0
Operating cash flow before working capital changes	1,333.0	1,216.8	3,882.9	3,664.7
Changes in operating assets and liabilities				
Trade and other receivables	(381.8)	(218.5)	(587.7)	(462.8)
Trade and other payables	400.7	303.9	451.2	125.4
Inventories	(225.0)	(38.9)	(232.1)	(60.9)
Cash generated from operations	1,126.9	1,263.3	3,514.3	3,266.4
Payment to employees in cash under performance share plans	-	-	(0.8)	(0.3)
Dividends received from associates and joint ventures	343.3	59.2	1,551.5	1,325.0
Income tax and withholding tax paid (Note 1)	(140.0)	(281.9)	(513.1)	(692.7)
Net cash from operating activities	1,330.2	1,040.6	4,551.9	3,898.4
Cash Flows from Investing Activities				
Dividends received from AFS investments	0.3	0.1	1.8	1.5
Interest received	1.4	1.5	13.7	21.6
Payments for acquisition of subsidiaries, net of cash acquired (Note 2)	-	-	(336.5)	(4.9)
Contribution from non-controlling interests	-	12.9	-	12.9
Investment in associate and joint ventures (Note 3)	(0.7)	(2,469.7)	(1.2)	(2,471.4)
Loan repaid by associate (Note 4)	-	-	1,100.5	-
Proceeds/ Deferred proceeds from disposal of associate and joint venture (Note 4)	44.5	0.5	1,139.8	43.1
Investment in AFS investments	(10.9)	(5.5)	(51.0)	(27.4)
Proceeds from sale of AFS investments	37.8	5.2	39.3	58.9
Balance carried forward	72.4	(2,455.0)	1,906.4	(2,365.7)

CONSOLIDATED STATEMENT OF CASH FLOWS*For the third quarter and nine months ended 31 December 2017*

	Quarter 31 Dec		Nine Months 31 Dec	
	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)
Cash Flows from Investing Activities (continued)				
Balance brought forward	72.4	(2,455.0)	1,906.4	(2,365.7)
Payment for purchase of property, plant and equipment	(535.2)	(623.6)	(1,745.6)	(1,607.8)
Proceeds from sale of property, plant and equipment	39.5	1.1	142.2	34.1
Purchase of intangible assets	(59.6)	(37.3)	(1,091.0)	(234.2)
Withholding tax paid on intra-group interest income	-	-	(13.7)	(14.3)
Net cash used in investing activities	(482.9)	(3,114.8)	(801.7)	(4,187.9)
Cash Flows from Financing Activities				
Proceeds from term loans	500.9	1,355.8	4,484.8	4,454.1
Repayment of term loans	(1,041.9)	(1,191.6)	(5,382.3)	(3,797.9)
Proceeds from bond issue	-	675.4	430.2	675.4
Repayment of bonds	-	-	(936.4)	(250.0)
Proceeds from finance lease liabilities	3.5	1.5	13.7	5.4
Finance lease payments	(12.9)	(8.8)	(34.9)	(26.3)
Net (repayment of)/ proceeds from borrowings	(550.4)	832.3	(1,424.9)	1,060.7
Settlement of swap for bonds repaid	-	-	61.4	-
Net interest paid on borrowings and swaps	(97.0)	(102.0)	(297.4)	(280.2)
Purchase of performance shares	(4.4)	(6.0)	(19.4)	(21.2)
Final dividend paid to shareholders of the Company	-	-	(1,746.6)	(1,705.5)
Dividend paid to non-controlling interests	(5.1)	(4.8)	(5.4)	(4.8)
Proceeds from issue of shares (Note 3)	-	1,603.1	-	1,603.1
Others	1.7	-	1.7	-
Net cash (used in)/ from financing activities	(655.2)	2,322.6	(3,430.6)	652.1
Net change in cash and cash equivalents	192.1	248.4	319.6	362.6
Exchange effects on cash and cash equivalents	(2.6)	14.2	(12.5)	23.4
Cash and cash equivalents at beginning of period	651.4	585.2	533.8	461.8
Cash and cash equivalents at end of period	840.9	847.8	840.9	847.8

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the third quarter and nine months ended 31 December 2017***Note (1): Income tax and withholding tax paid**

This included an amount of S\$142 million (A\$134 million) paid to the Australian Taxation Office in November 2016 for amended assessments under dispute related to the acquisition financing of Optus for the third quarter and nine months ended 31 December 2016.

Note (2): Payments for acquisition of subsidiaries

- (a) On 10 April 2017, Singtel's wholly-owned subsidiary, Amobee, Inc., acquired 100% of the share capital of Turn, Inc. ("**Turn**") for S\$392 million (US\$281 million). The fair values of identifiable net assets and the net cash outflow on the acquisition were as follows –

	31 Dec 2017 S\$ Mil (Unaudited)
Identifiable intangible assets	53.3
Non-current assets	11.8
Cash and cash equivalents	55.6
Current assets (excluding cash and cash equivalents)	103.6
Total liabilities	(179.7)
Net assets acquired	44.6
Goodwill	347.5
Total cash consideration	392.1
Less: Cash and cash equivalents acquired	(55.6)
Net outflow of cash	336.5

- (b) The payments for the nine months ended 31 December 2016 included deferred payments of S\$3.4 million and S\$1.5 million made in respect of the acquisitions of Adconion Media, Inc. and Adconion Pty Limited (together, "**Adconion**") and Ensyst Pty Limited respectively.

Note (3): Investment in associate and joint ventures, and proceeds from issue of shares

On 17 November 2016, Singtel completed the acquisitions of 21.0% equity interest in Intouch Holdings Public Company Limited for S\$1.59 billion and an additional 7.4% equity interest in Bharti Telecom Limited for S\$884 million. The acquisitions were partially financed by proceeds of S\$1.60 billion from the issuance of 385,581,351 new ordinary shares of Singtel listed on the Singapore Exchange.

- Note (4):** On 19 July 2017, 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 has 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.

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the third quarter and nine months ended 31 December 2017*

Note (5): For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprised:

	As at 31 Dec	
	2017	2016
	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)
Fixed deposits	242.9	166.3
Cash and bank balances	598.0	681.5
	<u>840.9</u>	<u>847.8</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***1. BASIS OF PREPARATION**

The Group prepares its condensed consolidated interim financial statements in accordance with Singapore Financial Reporting Standard (“FRS”) 34, **Interim Financial Reporting**. The same accounting policies and methods of computation have been applied in the preparation of the financial statements for the current quarter as the most recent audited financial statements as at 31 March 2017. The adoption of the new or revised FRS, amendments to FRS and Interpretations to FRS which became mandatory from 1 April 2017 did not have a significant impact on the financial statements of the Group and the Company.

2. OPERATING EXPENSES

The income statement included the following items -

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Impairment of trade receivables	30.9	33.4	113.1	103.9
Allowance for inventory obsolescence (net)	1.0	3.4	1.2	5.2

3. OTHER INCOME

Other income included the following items -

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Rental income	0.9	0.8	2.5	2.5
Net exchange losses - trade related	(3.2)	(0.9)	(9.0)	(8.8)
Net (losses)/ gains on disposal of property, plant and equipment	(0.4)	(0.7)	3.6	3.9

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***4. DEPRECIATION AND AMORTISATION**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)
Depreciation of property, plant and equipment ⁽¹⁾	511.7	491.1	1,530.2	1,446.9
Amortisation of intangibles	73.7	72.0	227.4	209.7
Amortisation of deferred gain on sale of a joint venture	-	(0.8)	(1.5)	(2.3)
	585.4	562.3	1,756.1	1,654.3

Note:

(1) Optus has revised the useful lives of certain network assets from 1 April 2017 as part of its periodic review. The revision has resulted in lower depreciation of S\$12 million (A\$12 million) and S\$37 million (A\$35 million) in the current quarter and nine months ended 31 December 2017.

5. EXCEPTIONAL ITEMS

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)	2017 S\$ Mil (Unaudited)	2016 S\$ Mil (Unaudited)
Exceptional gains				
Disputes settlement	54.8	-	54.8	-
Gain on disposal of a joint venture	6.5	-	6.5	-
Gain on sale of AFS investments	0.3	6.1	20.6	6.3
Gain on disposal of an associate	-	-	2,053.2	-
Reversal of AFS impairment	-	-	0.2	5.0
Gain on dilution of interest in associates and joint ventures	-	0.9	-	1.0
	61.6	7.0	2,135.3	12.3
Exceptional losses				
Staff restructuring costs	(25.4)	(6.3)	(51.8)	(38.0)
Loss on sale of AFS investments	(0.6)	-	(0.6)	-
Impairment of acquired intangibles	-	-	(77.3)	-
Provision for contingent claims and other charges	-	-	(57.1)	-
Impairment of investments	-	(0.4)	(5.0)	(1.1)
	(26.0)	(6.7)	(191.8)	(39.1)
	35.6	0.3	1,943.5	(26.8)

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***6. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Share of ordinary results ⁽¹⁾	552.5	694.4	1,934.2	2,172.7
Share of tax of ordinary results ⁽¹⁾	(132.9)	(204.7)	(521.4)	(642.2)
Share of exceptional items (post-tax) ⁽¹⁾⁽²⁾	(36.0)	(5.1)	(26.8)	17.4
	383.6	484.6	1,386.0	1,547.9

Notes:

- (1) AIS' 3G/4G handset subsidy costs have been reclassified from share of exceptional items to share of ordinary results to be consistent with the current quarter and nine months ended 31 December 2017.
- (2) Comprise share of exceptional items from Airtel, Globe and Intouch.

7. INTEREST AND INVESTMENT INCOME (NET)

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest income from				
- bank deposits	1.4	1.2	5.2	4.3
- others	0.2	7.6	8.7	24.2
	1.6	8.8	13.9	28.5
Dividends from joint ventures	16.2	21.6	27.1	45.8
Gross dividends from AFS investments	0.2	0.2	2.3	1.1
Fair value gains/ (losses) on fair value hedges				
- hedged item	35.7	22.3	82.8	6.2
- hedging instrument	(35.5)	(20.5)	(82.6)	(0.3)
	0.2	1.8	0.2	5.9
Fair value gains/ (losses) on cash flow hedges				
- hedged item	8.1	(132.1)	37.3	(182.6)
- hedging instrument	(8.1)	132.1	(37.3)	182.6
	-	-	-	-
Other fair value gains	0.5	9.1	0.2	3.6
Other foreign exchange (losses)/ gains	(3.7)	12.9	(8.3)	14.5
	15.0	54.4	35.4	99.4

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***8. FINANCE COSTS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest expense on				
- bonds	74.8	79.6	229.8	227.8
- bank loans	11.5	8.2	36.3	24.8
	86.3	87.8	266.1	252.6
Financing related costs	5.5	6.6	21.5	20.9
Effects of hedging using interest rate swaps	2.6	(0.1)	4.1	0.1
Unwinding of discounts (including adjustments)	0.9	1.2	2.9	3.2
	95.3	95.5	294.6	276.8

9. TAX EXPENSE

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017	2016	2017	2016
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	121.6	129.7	404.0	402.8
Tax expense/ (credit) on exceptional items	7.7	(1.7)	(26.0)	(11.1)
Current and deferred tax adjustments in respect of prior years	0.2	1.5	(0.4)	(1.5)
Withholding and dividend distribution taxes on dividend income from associate and joint ventures	35.2	5.9	139.6	113.1
	164.7	135.4	517.2	503.3

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2017 '000 (Unaudited)	2016 '000 (Unaudited)	2017 '000 (Unaudited)	2016 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	16,322,963	16,130,558	16,323,016	16,002,188
Adjustment for dilutive effect of performance share plan	21,545	22,545	21,545	22,545
Weighted average number of ordinary shares for calculation of diluted earnings per share	16,344,508	16,153,103	16,344,561	16,024,733

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

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 third quarter and nine months ended 31 December 2017***11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the assets and liabilities measured at fair value as at 31 December 2017:

Group 31 Dec 2017 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	36.1	-	-	36.1
- Unquoted investments	-	-	95.8	95.8
	36.1	-	95.8	131.9
Derivative financial instruments	-	424.9	-	424.9
	36.1	424.9	95.8	556.8
Financial liabilities				
Derivative financial instruments	-	375.2	-	375.2

Group 31 Mar 2017 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	33.3	-	-	33.3
- Unquoted investments	-	-	90.3	90.3
	33.3	-	90.3	123.6
Derivative financial instruments	-	562.5	-	562.5
	33.3	562.5	90.3	686.1
Financial liabilities				
Derivative financial instruments	-	318.9	-	318.9

Note:

(1) Excluded AFS investments stated at cost of S\$95.0 million (31 March 2017: S\$69.3 million).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***11. FAIR VALUE MEASUREMENTS (Continued)**

Company 31 Dec 2017 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	32.4	-	-	32.4
- Unquoted investments	-	-	8.6	8.6
	32.4	-	8.6	41.0
Derivative financial instruments	-	242.8	-	242.8
	32.4	242.8	8.6	283.8
Financial liabilities				
Derivative financial instruments	-	383.6	-	383.6

Company 31 Mar 2017 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	29.1	-	-	29.1
- Unquoted investments	-	-	8.3	8.3
	29.1	-	8.3	37.4
Derivative financial instruments	-	392.0	-	392.0
	29.1	392.0	8.3	429.4
Financial liabilities				
Derivative financial instruments	-	480.0	-	480.0

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 31 December 2017:

31 Dec 2017 (Unaudited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
Financial liabilities					
Group					
Bonds	7,941.4	5,601.2	2,735.8	-	8,337.0
Company					
Bonds	698.2	929.3	-	-	929.3

31 Mar 2017 (Audited)	Carrying Value S\$ Mil	Fair value			Total S\$ Mil
		Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	
Financial liabilities					
Group					
Bonds	8,681.4	6,722.9	2,402.9	-	9,125.8
Company					
Bonds	746.2	957.0	-	-	957.0

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

The fair values of the unquoted AFS investments included within Level 3 were estimated using the net asset values as reported in the statements of financial position in the management accounts of the AFS investments or the use of recent arm's length transactions.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***11. FAIR VALUE MEASUREMENTS (Continued)**

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

	Group		Company	
	31 Dec 17	31 Dec 16	31 Dec 17	31 Dec 16
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
AFS investments - unquoted				
Balance as at 1 April	90.3	42.9	8.3	7.7
Total gains included in 'Fair Value Reserve'	0.3	21.9	0.3	0.5
Additions	4.7	15.7	-	-
Writeback for impairment	-	1.3	-	-
Disposals	(11.7)	(2.2)	-	-
Transfer from Level 3	-	(0.9)	-	-
Transfer to Level 3	12.2	13.0	-	-
	95.8	91.7	8.6	8.2

12. GROUP'S BORROWINGS AND DEBT SECURITIES

	Group		Company	
	31 Dec 17	31 Mar 17	31 Dec 17	31 Mar 17
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Unsecured borrowings				
Repayable within one year	1,664.8	3,046.9	-	-
Repayable after one year	7,696.4	7,852.7	698.2	746.2
	9,361.2	10,899.6	698.2	746.2
Secured borrowings				
Repayable within one year	19.7	86.7	1.6	1.5
Repayable after one year	87.9	199.6	76.2	157.2
	107.6	286.3	77.8	158.7
	9,468.8	11,185.9	776.0	904.9

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

The 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 third quarter and nine months ended 31 December 2017***13. SHARE CAPITAL AND OTHER EQUITY INFORMATION****Share Capital**

	Quarter 31 Dec 17		Nine Months 31 Dec 17	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at beginning and end of period	16,329.1	4,127.3	16,329.1	4,127.3

As at 31 December 2017, the issued and paid up capital excluding treasury shares comprised 16,322.8 million (31 December 2016: 16,323.1 million) ordinary shares.

Treasury Shares

	Quarter 31 Dec		Nine Months 31 Dec	
	2017 (Unaudited)	2016 (Unaudited)	2017 (Unaudited)	2016 (Unaudited)
Balance at beginning of period	5,214,469	4,554,555	7,636,301	7,237,285
Shares transferred to employees under the Singtel Performance Share Plan 2012	(7,904)	(14,329)	(4,625,110)	(4,735,348)
Purchase of treasury shares	1,182,790	1,519,933	3,378,164	3,558,222
Balance at end of period	6,389,355	6,060,159	6,389,355	6,060,159

As at 31 December 2017, the number of treasury shares represented 0.04% (31 December 2016: 0.04%) of the total number of issued shares.

During the current quarter, 7,904 (31 December 2016: 14,329) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 1,182,790 (31 December 2016: 1,519,933) treasury shares were purchased.

During the nine months ended 31 December 2017, 4,625,110 (31 December 2016: 4,735,348) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 3,378,164 (31 December 2016: 3,558,222) 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 nine months ended 31 December 2017.

The Company's subsidiaries do not hold shares in the Company as at 31 December 2017 and 31 December 2016.

Performance Shares

As at 31 December 2017, the number of outstanding performance shares granted under the Singtel Performance Share Plan 2012 was 37,244,055 (31 December 2016: 38,223,905).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***14. DIVIDENDS**

On 8 November 2017, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2017: 6.8 cents) per share and a special one-tier exempt dividend of 3.0 cents (FY 2017: Nil) per share, in respect of the current financial year ending 31 March 2018.

The dividends have been accounted for in the shareholders' equity as an appropriation of 'Retained Earnings' in the third quarter and nine months ended 31 December 2017. The interim and special dividends were paid in January 2018.

During the nine months ended 31 December 2017, 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 2017.

15. NET ASSET VALUE

	Group As at		Company As at	
	31 Dec 17	31 Mar 17	31 Dec 17	31 Mar 17
	S\$	S\$	S\$	S\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per ordinary share	1.81	1.73	1.28	1.24

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.

16. SUBSEQUENT EVENT

On 5 February 2018, Singtel announced that its wholly-owned subsidiary, Singtel International Investments Private Limited ("SII"), will subscribe to new shares in Bharti Telecom Limited ("BTL") under a proposed preferential allotment. The preferential allotment of equity shares to SII is subject to approval by BTL's shareholders, with completion expected by March 2018. SII will be allotted up to 85,450,000 new equity shares in BTL at an issue price of INR 310 per equity share. This will increase Singtel's stake in BTL by up to 1.7 percentage points for an aggregate consideration of approximately INR 26.5 billion or S\$555.6 million. Through this allotment, Singtel's economic interest in Airtel will increase by 0.9 percentage point to 39.5%.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***17. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES****(a) Guarantees**

As at 31 December 2017,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$591.5 million and S\$149.6 million (31 March 2017: S\$437.5 million and S\$268.1 million) respectively.
- (ii) The Company provided guarantees for loans of S\$155 million (31 March 2017: S\$1.16 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly owned subsidiary, with maturities between December 2018 and December 2019.
- (iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$4.04 billion (31 March 2017: S\$4.92 billion) due between April 2018 and October 2026.

- (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 31 December 2017.

On 2 November 2017, STAI received a tax position paper from the ATO in relation to the subsequent re-financing of the above loan.

STAI has received advice from external experts in relation to the matters and will vigorously defend its position. Accordingly, no provision has been made as at 31 December 2017.

- (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 third quarter and nine months ended 31 December 2017***18. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES**

- (a) Bharti Airtel Limited ("**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 (\$1.09 billion) towards levy of one time spectrum charge.

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licences 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 31 December 2017, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 132 billion (\$2.75 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**"), 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 (\$139 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 (\$2.57 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 (\$1.48 billion) plus interest. The claims are pending arbitration.

Between 2014 to 2016, TOT demanded that AIS pays THB 41.1 billion (\$1.68 billion) plus interest for the porting of subscribers from 900MHz to 2100MHz network. This case is pending arbitration.

In 2017, TOT demanded that AIS pays additional revenue share of THB 1.1 billion (\$47 million) plus interest based on higher rental rates for the provision of transmission equipment from 2011 to 2015. This case is pending arbitration.

As at 31 December 2017, there are a number of other claims against AIS and its subsidiaries amounting to THB 27.2 billion (\$1.11 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.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***18. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES (Continued)**

- (c) In October 2017, Intouch Holdings Public Company Limited (“**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**”), 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) As at 31 December 2017, PT Telekomunikasi Selular (“**Telkomsel**”), a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 180 billion (S\$18 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 third quarter and nine months ended 31 December 2017***19. 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 (Amobee), regional premium over-the-top video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel's digital innovation engine through Innov8.

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

The 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 third quarter and nine months ended 31 December 2017***19. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2017*

Group 31 Dec 2017 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	7,411.9	4,918.3	875.2	-	13,205.4
Operating expenses	(5,035.6)	(3,531.0)	(926.0)	(59.0)	(9,551.6)
Other income/ (expenses)	168.6	28.0	(0.6)	4.6	200.6
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	2,544.9	1,415.3	(51.4)	(54.4)	3,854.4
Share of pre-tax results of associates and joint ventures					
- Airtel	207.4	-	-	-	207.4
- Telkomsel	1,083.4	-	-	-	1,083.4
- Globe	207.8	-	-	-	207.8
- AIS	252.8	-	-	-	252.8
- Intouch	71.5	-	-	-	71.5
- Others	0.6	-	-	117.9	118.5
	1,823.5	-	-	117.9	1,941.4
EBITDA and share of pre-tax results of associates and joint ventures	4,368.4	1,415.3	(51.4)	63.5	5,795.8
Depreciation and amortisation	(1,222.3)	(477.6)	(55.5)	(0.7)	(1,756.1)
Earnings before interest and tax ("EBIT")	3,146.1	937.7	(106.9)	62.8	4,039.7
Segment assets					
Investment in associates and joint ventures					
- Airtel	7,275.3	-	-	-	7,275.3
- Telkomsel	3,283.2	-	-	-	3,283.2
- Globe	1,077.6	-	-	-	1,077.6
- AIS	773.0	-	-	-	773.0
- Intouch	1,612.1	-	-	-	1,612.1
- Others	24.9	-	-	427.9	452.8
	14,046.1	-	-	427.9	14,474.0
Goodwill on acquisition of subsidiaries	9,191.7	1,192.6	1,031.1	-	11,415.4
Other assets	13,528.1	5,664.8	838.3	2,925.6	22,956.8
	36,765.9	6,857.4	1,869.4	3,353.5	48,846.2

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***19. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2017*

Group 31 Dec 2016 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	7,114.6	4,877.0	412.1	-	12,403.7
Operating expenses	(4,859.3)	(3,463.3)	(491.0)	(54.9)	(8,868.5)
Other income/ (expense)	131.2	34.1	(7.5)	(3.7)	154.1
EBITDA	2,386.5	1,447.8	(86.4)	(58.6)	3,689.3
Share of pre-tax results of associates and joint ventures					
- Airtel	490.1	-	-	-	490.1
- Telkomsel	1,050.8	-	-	-	1,050.8
- Globe	213.6	-	-	-	213.6
- AIS	245.4	-	-	-	245.4
- Intouch	4.1	-	-	-	4.1
- Others	0.5	-	-	168.2	168.7
	2,004.5	-	-	168.2	2,172.7
EBITDA and share of pre-tax results of associates and joint ventures	4,391.0	1,447.8	(86.4)	109.6	5,862.0
Depreciation and amortisation	(1,128.8)	(473.6)	(50.9)	(1.0)	(1,654.3)
EBIT	3,262.2	974.2	(137.3)	108.6	4,207.7

Group 31 Mar 2017 (Audited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Segment assets					
Investment in associates and joint ventures					
- Airtel	6,847.0	-	-	-	6,847.0
- Telkomsel	3,606.2	-	-	-	3,606.2
- Globe	1,085.4	-	-	-	1,085.4
- AIS	646.4	-	-	-	646.4
- Intouch	1,577.2	-	-	-	1,577.2
- Others	25.2	-	-	447.7	472.9
	13,787.4	-	-	447.7	14,235.1
Goodwill on acquisition of subsidiaries	9,193.4	1,241.4	729.8	-	11,164.6
Other assets	12,590.8	5,637.4	602.5	4,063.8	22,894.5
	35,571.6	6,878.8	1,332.3	4,511.5	48,294.2

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the third quarter and nine months ended 31 December 2017***19. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2017*

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

Group	31 Dec 17 S\$ Mil (Unaudited)	31 Dec 16 S\$ Mil (Unaudited)
EBIT	4,039.7	4,207.7
Exceptional items	1,943.5	(26.8)
Share of exceptional items of associates and joint ventures (post-tax)	(34.0)	17.4
Share of tax of associates and joint ventures	(521.4)	(642.2)
Profit before interest, investment income (net) and tax	5,427.8	3,556.1
Interest and investment income (net)	35.4	99.4
Finance costs	(294.6)	(276.8)
Profit before tax	5,168.6	3,378.7

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 38% (31 December 2016: 40%) and 52% (31 December 2016: 53%) of the total revenue for the nine months ended 31 December 2017, with the remaining 10% (31 December 2016: 7%) 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.

OTHER INFORMATION

- 20.** The statements of financial position as at 31 December 2017 and the income statement, statement of comprehensive income, changes in equity and cash flows for the third quarter and nine months ended 31 December 2017 presented in this announcement have not been audited, but have been reviewed by Deloitte & Touche 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 36 of this announcement).

21. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2017.

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 third quarter and nine months ended 31 December 2017.

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 third quarter and nine months ended 31 December 2017.

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.

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 third quarter and nine months ended 31 December 2017 to be false or misleading.

On behalf of the Board of Directors

Bobby Chin
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
7 February 2018

INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Singapore Telecommunications Limited
31 Exeter Road
Comcentre
Singapore 239732

Dear Sirs

**SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION AS OF AND FOR THE THIRD
QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017**

Introduction

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("**Singtel**" or the "**Company**") as of 31 December 2017 and statement of changes in equity of the Company for the Third Quarter and Nine Months then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "**Group**") as of 31 December 2017 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the Third Quarter and Nine Months then ended, selected notes and other explanatory information ("**interim financial information**").

The Management of Singtel are responsible for the preparation and presentation of the interim financial information in accordance with Financial Reporting Standard 34 *Interim Financial Reporting* ("**FRS 34**"). Such interim financial information has been prepared by Management of Singtel for announcement on the Singapore Exchange. Our responsibility is to express a conclusion to this interim financial information based on our review.

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 interim financial information is not prepared, in all material respects, in accordance with FRS 34.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants

Singapore
7 February 2018