



(UEN/Company Registration No. 199500279W)
(Incorporated with limited liability in Singapore)

ANNOUNCEMENT

ENTRY BY PORTFOLIO COMPANY INTO MERGER AGREEMENT

Singapore Technologies Telemedia Pte Ltd (the “**Issuer**”) wishes to announce that on 31 October 2016, one of the companies in its portfolio, Level 3 Communications, Inc. (“**Level 3**”), announced that it has entered into a definitive agreement (the “**Merger Agreement**”) with CenturyLink, Inc., a Louisiana corporation (the “**Acquiror**”), whereby the Acquiror will acquire Level 3 in a stock-and-cash transaction (the “**Combination**”).

Under terms of the Merger Agreement, Level 3 shareholders will receive \$26.50 per share in cash and a fixed exchange ratio of 1.4286 shares of the Acquiror’s stock for each Level 3 share they own, which implies a purchase price of \$66.50 per Level 3 share (based on a \$28.00 per share reference price of the Acquiror) and a premium of approximately 42 percent based on Level 3’s unaffected closing share price of \$46.92 on October 26, 2016, the last trading day prior to market speculation about a potential transaction between the Acquiror and Level 3.

The Combination is, among other closing conditions, subject to a vote of the stockholders of each of the Acquiror and Level 3.

Concurrently with the execution of the Merger Agreement, at the Acquiror’s request, STT Crossing Ltd (“**STT Crossing**”), an indirect, wholly-owned subsidiary of the Issuer which is the registered holder of the Issuer’s interest in Level 3, has entered into a voting agreement with the Acquiror and Level 3, dated as of 31 October 2016 (the “**Voting Agreement**”), pursuant to which, STT Crossing agreed with the Acquiror, subject to limited exceptions, to, among other things, vote in favour of adoption of the Merger Agreement.

In addition, the Acquiror and STT Crossing also entered into a Shareholder Rights Agreement, dated as of 31 October 2016 (the “**Shareholder Rights Agreement**”), which provides for, among other things, STT Crossing’s rights and obligations as a shareholder of the Acquiror following the closing of the Combination, broadly similar to its current rights.

The Combination is subject to regulatory approvals and is expected to close by the end of third quarter 2017.