



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 30 JUNE 2015**

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CONSOLIDATED INCOME STATEMENT*For the first quarter ended 30 June 2015*

	Notes	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Operating revenue		4,208.5	4,147.6
Operating expenses	2	(3,007.9)	(2,921.7)
Other income	3	40.7	28.5
		<u>1,241.3</u>	<u>1,254.4</u>
Depreciation and amortisation	4	(535.4)	(532.9)
		<u>705.9</u>	<u>721.5</u>
Exceptional items	5	14.0	(35.2)
Profit on operating activities		719.9	686.3
Associates and joint ventures			
- share of ordinary results		665.3	622.0
- share of tax of ordinary results		(212.9)	(205.5)
- share of exceptional items (post-tax)	6	31.5	(23.2)
		<u>483.9</u>	<u>393.3</u>
Profit before interest, investment income (net) and tax		1,203.8	1,079.6
Interest and investment income (net)	7	22.5	23.6
Finance costs	8	(80.1)	(75.2)
Profit before tax		1,146.2	1,028.0
Tax expense	9	(205.0)	(192.0)
Profit after tax		941.2	836.0
Attributable to:			
Shareholders of the Company		941.6	834.6
Non-controlling interests		(0.4)	1.4
		<u>941.2</u>	<u>836.0</u>
Earnings per share attributable to shareholders of the Company			
- basic	10	5.91¢	5.24¢
- diluted	10	5.90¢	5.22¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the first quarter ended 30 June 2015*

	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Profit after tax	941.2	836.0
Other comprehensive (loss)/ income		
Items that may be reclassified subsequently to income statement:		
Exchange differences arising from translation of foreign operations and other currency translation differences for the quarter	(450.1)	(108.7)
Cash flow hedges		
- Fair value changes	30.6	(65.2)
- Tax effects	(8.1)	15.7
	22.5	(49.5)
- Fair value changes transferred to income statement	60.9	74.5
- Tax effects	5.7	(12.9)
	66.6	61.6
	89.1	12.1
Fair value changes on available-for-sale investments during the quarter	(16.3)	35.8
Share of other comprehensive gain of associates and joint ventures	24.7	0.9
Other comprehensive loss, net of tax	(352.6)	(59.9)
Total comprehensive income	588.6	776.1
Attributable to:		
Shareholders of the Company	588.7	774.7
Non-controlling interests	(0.1)	1.4
	588.6	776.1

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2015

	Notes	Group		Company	
		As at 30 Jun 15 S\$ Mil (Unaudited)	As at 31 Mar 15 S\$ Mil (Audited)	As at 30 Jun 15 S\$ Mil (Unaudited)	As at 31 Mar 15 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		1,389.7	562.8	770.3	83.5
Trade and other receivables		3,949.9	3,885.2	557.9	534.2
Due from subsidiaries		-	-	2,301.3	1,908.2
Derivative financial instruments		27.6	29.8	21.5	29.9
Inventories		276.0	289.8	22.4	26.8
		5,643.2	4,767.6	3,673.4	2,582.6
Non-current assets					
Property, plant and equipment		10,519.5	10,683.2	1,996.2	2,047.2
Intangible assets		11,874.8	11,948.6	0.6	0.7
Subsidiaries		-	-	13,515.0	13,515.0
Joint ventures		10,101.2	10,571.0	22.1	22.1
Associates		282.0	275.2	603.5	603.5
Loan to an associate		1,610.5	1,610.5	1,610.5	1,610.5
Available-for-sale investments ("AFS")		232.0	268.3	39.8	43.6
Derivative financial instruments		591.6	742.1	340.1	463.5
Deferred tax assets		794.2	803.8	-	-
Other non-current receivables		461.3	396.5	190.8	182.6
		36,467.1	37,299.2	18,318.6	18,488.7
Total assets		42,110.3	42,066.8	21,992.0	21,071.3
Current liabilities					
Trade and other payables		4,159.5	4,464.3	851.9	1,004.0
Due to subsidiaries		-	-	1,327.8	385.6
Advance billings		655.3	614.0	70.8	68.9
Current tax liabilities		491.9	419.4	175.7	140.2
Borrowings (unsecured)	12	-	150.0	-	-
Borrowings (secured)	12	25.7	24.4	1.1	1.5
Derivative financial instruments		1.9	16.8	1.9	1.9
Net deferred gain		67.9	67.9	-	-
		5,402.2	5,756.8	2,429.2	1,602.1
Non-current liabilities					
Borrowings (unsecured)	12	8,405.9	8,590.9	737.2	925.2
Borrowings (secured)	12	247.5	213.5	160.4	160.4
Derivative financial instruments		294.8	265.4	421.9	447.3
Advance billings		265.3	265.3	151.6	150.8
Net deferred gain		1,350.0	1,369.8	-	-
Deferred tax liabilities		511.3	521.7	259.0	248.9
Other non-current liabilities		279.4	315.5	19.3	30.0
		11,354.2	11,542.1	1,749.4	1,962.6
Total liabilities		16,756.4	17,298.9	4,178.6	3,564.7
Net assets		25,353.9	24,767.9	17,813.4	17,506.6
Share capital and reserves					
Share capital	13	2,634.0	2,634.0	2,634.0	2,634.0
Reserves		22,685.4	22,099.3	15,179.4	14,872.6
Equity attributable to shareholders of the Company					
		25,319.4	24,733.3	17,813.4	17,506.6
Non-controlling interests		34.5	34.6	-	-
Total equity		25,353.9	24,767.9	17,813.4	17,506.6

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2015

Group - 2015	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve S\$ Mil	Currency			Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil		
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil					
Balance as at 1 April 2015	2,634.0	(39.2)	(114.9)	(4,213.3)	(3.9)	128.0	27,471.1	(1,128.5)	24,733.3	34.6	24,767.9
Changes in equity for the quarter											
Performance shares purchased by the Company	-	(3.8)	-	-	-	-	-	-	(3.8)	-	(3.8)
Performance shares purchased by Trust ⁽⁴⁾	-	(11.2)	-	-	-	-	-	-	(11.2)	-	(11.2)
Performance shares vested	-	36.1	(36.1)	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	11.9	-	-	-	-	-	11.9	-	11.9
Transfer of liability to equity	-	-	16.4	-	-	-	-	-	16.4	-	16.4
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	-	-	(0.5)	-	(0.5)
Performance shares purchased by Optus and vested	-	-	(16.1)	-	-	-	-	-	(16.1)	-	(16.1)
Share of other reserves of associates and joint ventures	-	-	0.2	-	-	-	-	0.5	0.7	-	0.7
	-	21.1	(24.2)	-	-	-	-	0.5	(2.6)	-	(2.6)
Total comprehensive (loss)/ income for the quarter	-	-	-	(450.4)	89.1	(16.3)	941.6	24.7	588.7	(0.1)	588.6
Balance as at 30 June 2015	2,634.0	(18.1)	(139.1)	(4,663.7)	85.2	111.7	28,412.7	(1,103.3)	25,319.4	34.5	25,353.9

SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2015

Group - 2014	Attributable to shareholders of the Company								Total S\$ Mil	Non- controlling Interests 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			
Balance as at 1 April 2014	2,634.0	(38.6)	(99.0)	(3,693.0)	(138.8)	106.2	26,366.5	(1,269.1)	23,868.2	24.4	23,892.6
Changes in equity for the quarter											
Performance shares purchased by the Company	-	(2.3)	-	-	-	-	-	-	(2.3)	-	(2.3)
Performance shares purchased by Trust ⁽⁴⁾	-	(4.2)	-	-	-	-	-	-	(4.2)	-	(4.2)
Performance shares vested	-	38.0	(38.0)	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	8.9	-	-	-	-	-	8.9	-	8.9
Transfer of liability to equity	-	-	15.0	-	-	-	-	-	15.0	-	15.0
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)
Performance shares purchased by Optus and vested	-	-	(14.9)	-	-	-	-	-	(14.9)	-	(14.9)
Share of other reserves of associates and joint ventures	-	-	-	-	-	-	-	0.3	0.3	-	0.3
Others	-	-	-	-	-	-	(0.5)	-	(0.5)	(0.5)	(1.0)
	-	31.5	(29.2)	-	-	-	(0.5)	0.3	2.1	(0.5)	1.6
Total comprehensive (loss)/ income for the quarter	-	-	-	(108.7)	12.1	35.8	834.6	0.9	774.7	1.4	776.1
Balance as at 30 June 2014	2,634.0	(7.1)	(128.2)	(3,801.7)	(126.7)	142.0	27,200.6	(1,267.9)	24,645.0	25.3	24,670.3

SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2015

Company - 2015	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 2015	2,634.0	(3.9)	(70.8)	12.9	34.0	14,900.4	17,506.6
Changes in equity for the quarter							
Performance shares purchased by the Company	-	(3.6)	-	-	-	-	(3.6)
Performance shares vested	-	7.5	(7.5)	-	-	-	-
Equity-settled share based payment	-	-	3.8	-	-	-	3.8
Transfer of liability to equity	-	-	16.4	-	-	-	16.4
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	(0.5)
Contribution to Trust ⁽⁴⁾	-	-	(9.8)	-	-	-	(9.8)
	-	3.9	2.4	-	-	-	6.3
Total comprehensive income/ (loss) for the quarter	-	-	-	81.5	(3.8)	222.8	300.5
Balance as at 30 June 2015	2,634.0	-	(68.4)	94.4	30.2	15,123.2	17,813.4

SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2015

Company - 2014	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 2014	2,634.0	(1.4)	(67.4)	(104.5)	45.3	14,393.3	16,899.3
Changes in equity for the quarter							
Performance shares purchased by the Company	-	(2.3)	-	-	-	-	(2.3)
Performance shares vested	-	3.7	(3.6)	-	-	-	0.1
Equity-settled share based payment	-	-	4.2	-	-	-	4.2
Transfer of liability to equity	-	-	15.0	-	-	-	15.0
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	(0.2)
Contribution to Trust ⁽⁴⁾	-	-	(2.4)	-	-	-	(2.4)
	-	1.4	13.0	-	-	-	14.4
Total comprehensive income/ (loss) for the quarter	-	-	-	23.8	(0.8)	210.8	233.8
Balance as at 30 June 2014	2,634.0	-	(54.4)	(80.7)	44.5	14,604.1	17,147.5

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32, **Financial Instruments: Disclosure and 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 (loss)/ income of the associates and joint ventures.
- (4) 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 first quarter ended 30 June 2015

	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Cash Flows from Operating Activities		
Profit before tax	1,146.2	1,028.0
Adjustments for:		
Depreciation and amortisation	535.4	532.9
Exceptional items	(17.8)	(5.0)
Interest and investment income (net)	(22.5)	(23.6)
Finance costs	80.1	75.2
Share of results of associates and joint ventures (post-tax)	(483.9)	(393.3)
Other non-cash items	11.2	15.8
	<u>102.5</u>	<u>202.0</u>
Operating cash flow before working capital changes	1,248.7	1,230.0
Changes in operating assets and liabilities		
Trade and other receivables	(266.5)	(143.9)
Trade and other payables	(121.1)	50.7
Inventories	12.2	(42.4)
Currency translation adjustments of subsidiaries	(1.9)	(0.4)
	<u>871.4</u>	<u>1,094.0</u>
Cash generated from operations	871.4	1,094.0
Payment to employees in cash under performance share plans	(0.4)	(0.5)
Dividends received from associates and joint ventures	761.1	757.0
Income tax and withholding tax paid	(149.2)	(120.9)
	<u>1,482.9</u>	<u>1,729.6</u>
Net cash inflow from operating activities	1,482.9	1,729.6
Cash Flows from Investing Activities		
Dividends received from AFS investments	0.7	1.2
Interest received	20.7	20.3
Payment for acquisition of subsidiaries, net of cash acquired (Note 1)	-	(10.1)
Payment for acquisition of non-controlling interests	-	(2.7)
Investment in joint venture	-	(0.5)
Investment in AFS investments	(15.7)	(11.3)
Proceeds from sale of AFS investments	19.1	40.6
Proceeds from capital reduction of joint venture	-	2.0
Payment for purchase of property, plant and equipment	(508.5)	(545.7)
Proceeds from sale of property, plant and equipment	0.1	0.9
Purchase of intangible assets	(62.7)	(99.7)
	<u>(546.3)</u>	<u>(605.0)</u>
Net cash outflow for investing activities	(546.3)	(605.0)

CONSOLIDATED STATEMENT OF CASH FLOWS*For the first quarter ended 30 June 2015*

	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Cash Flows from Financing Activities		
Proceeds from term loans	560.7	233.9
Repayment of term loans	(1,511.8)	(1,207.9)
Proceeds from bond issue	922.5	-
Proceeds from finance lease liabilities	35.1	4.4
Finance lease payments	(12.4)	(11.3)
Net repayment of borrowings	(5.9)	(980.9)
Net interest paid on borrowings and swaps	(83.9)	(96.7)
Purchase of performance shares	(15.0)	(21.4)
Net cash outflow for financing activities	(104.8)	(1,099.0)
Net change in cash and cash equivalents	831.8	25.6
Exchange effects on cash and cash equivalents	(4.9)	0.9
Cash and cash equivalents at beginning of period	562.8	622.5
Cash and cash equivalents at end of period	1,389.7	649.0

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the first quarter ended 30 June 2015*

Note (1): The deferred payments of S\$10.1 million in the last corresponding quarter were made in respect of the acquisition of Amobee Inc. ("**Amobee**").

Note (2): For the purposes of the consolidated cash flow statements, cash and cash equivalents comprise:

	As at 30 Jun	
	2015 S\$ Mil (Unaudited)	2014 S\$ Mil (Unaudited)
Fixed deposits	188.1	136.9
Cash and bank balances	<u>1,201.6</u>	<u>512.1</u>
	<u>1,389.7</u>	<u>649.0</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

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 2015. The adoption of the new or revised FRS, amendments to FRS and Interpretations to FRS which became mandatory from 1 April 2015 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	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Impairment of trade receivables	34.4	36.2
Allowance for inventory obsolescence	8.9	*
Inventory written off	<u>0.6</u>	<u>0.4</u>

“*” denotes less than +/- S\$50,000.

3. OTHER INCOME

Other income included the following items -

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Rental income	1.0	1.0
Bad trade debts recovered	1.2	0.9
Net exchange gain/ (loss) - trade related	1.7	(0.4)
Net (loss)/ gain on disposal of property, plant and equipment	<u>(0.6)</u>	<u>0.1</u>

4. DEPRECIATION AND AMORTISATION

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	477.2	489.5
Amortisation of intangible assets	59.0	44.2
Amortisation of deferred gain on sale of a joint venture	<u>(0.8)</u>	<u>(0.8)</u>
	<u>535.4</u>	<u>532.9</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***5. EXCEPTIONAL ITEMS**

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Exceptional gains		
Gain on sale of AFS investments	23.1	4.1
Gain on dilution of interest in other associates and joint ventures	-	0.9
	23.1	5.0
Exceptional losses		
Impairment of AFS investment	(5.3)	-
Staff restructuring costs	(3.8)	(40.2)
	(9.1)	(40.2)
	14.0	(35.2)

6. SHARE OF EXCEPTIONAL ITEMS OF ASSOCIATES AND JOINT VENTURES (POST-TAX)

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Share of Airtel's exceptional items ⁽¹⁾	31.5	(17.0)
Share of Globe's accelerated depreciation	-	(6.2)
	31.5	(23.2)

Note:

(1) The exceptional items in the current quarter comprised mainly of net gains on disposal of telecom tower assets in Africa partly offset by various provisions and charges.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

7. INTEREST AND INVESTMENT INCOME (NET)

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Interest income from		
- bank deposits	1.4	4.0
- others	11.3	8.5
	12.7	12.5
Dividends from joint ventures	11.1	10.0
Gross dividends from AFS investments	0.3	1.7
Fair value gains/ (losses) on fair value hedges		
- hedged item	202.7	(43.1)
- hedging instrument	(202.7)	38.3
	*	(4.8)
Fair value gains/ (losses) on cash flow hedges transferred from other comprehensive income		
- hedged item	60.9	74.5
- hedging instrument	(60.9)	(74.5)
	-	-
Other fair value gains	3.1	5.2
Net foreign exchange losses - non-trade related	(4.7)	(1.0)
	22.5	23.6

“*” denotes less than +/- S\$50,000.

8. FINANCE COSTS

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Interest expense on		
- bonds	63.4	63.5
- bank loans	9.5	4.5
- others	7.1	7.8
	80.0	75.8
Less: Amounts capitalised	(0.6)	(4.7)
	79.4	71.1
Effects of hedging using interest rate swaps	(0.3)	2.9
Unwinding of discounts (including adjustments)	1.0	1.2
	80.1	75.2

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***9. TAX EXPENSE (NET)**

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	143.1	129.6
Current and deferred tax adjustments in respect of prior years	(0.7)	1.6
Withholding taxes on dividend income from joint ventures	62.6	60.8
	<u>205.0</u>	<u>192.0</u>

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group	30 Jun 15 '000 (Unaudited)	30 Jun 14 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,934,027	15,934,220
Adjustment for dilutive effect of performance share plans	30,413	44,962
Weighted average number of ordinary shares for calculation of diluted earnings per share	<u>15,964,440</u>	<u>15,979,182</u>

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

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

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**).

The following table presents the assets and liabilities measured at fair value as at 30 June 2015:

Group 30 Jun 2015 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	83.9	-	-	83.9
- Unquoted investments	-	-	100.3	100.3
	83.9	-	100.3	184.2
Derivative financial instruments	-	619.2	-	619.2
	83.9	619.2	100.3	803.4
Financial liabilities				
Derivative financial instruments	-	296.7	-	296.7

Group 31 Mar 2015 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	100.8	-	-	100.8
- Unquoted investments	-	-	100.5	100.5
	100.8	-	100.5	201.3
Derivative financial instruments	-	771.9	-	771.9
	100.8	771.9	100.5	973.2
Financial liabilities				
Derivative financial instruments	-	282.2	-	282.2

Note:

(1) Excluded AFS investments stated at cost of S\$47.8 million (31 March 2015: S\$67.0 million).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

11. FAIR VALUE MEASUREMENTS (Continued)

Company 30 Jun 2015 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	31.3	-	-	31.3
- Unquoted investments	-	-	8.5	8.5
	31.3	-	8.5	39.8
Derivative financial instruments	-	361.6	-	361.6
	31.3	361.6	8.5	401.4
Financial liabilities				
Derivative financial instruments	-	423.8	-	423.8

Company 31 Mar 2015 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	34.1	-	-	34.1
- Unquoted investments	-	-	9.5	9.5
	34.1	-	9.5	43.6
Derivative financial instruments	-	493.4	-	493.4
	34.1	493.4	9.5	537.0
Financial liabilities				
Derivative financial instruments	-	449.2	-	449.2

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the assets and liabilities not measured at fair value (but with fair value disclosed) as at 30 June 2015:

30 Jun 2015 (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	<u>7,878.4</u>	5,979.7	2,332.1	-	<u>8,311.8</u>
Company					
Bonds	<u>737.2</u>	932.5	-	-	<u>932.5</u>

31 Mar 2015 (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	<u>7,240.7</u>	5,478.3	2,101.8	-	<u>7,580.1</u>
Company					
Bonds	<u>925.2</u>	1,015.7	-	-	<u>1,015.7</u>

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

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***11. FAIR VALUE MEASUREMENTS (Continued)**

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.

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

	Group		Company	
	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
AFS investments - unquoted				
Balance as at 1 April	100.5	108.2	9.5	10.5
Total (losses)/ gains included in 'Fair Value Reserve'	(2.2)	(4.3)	(1.0)	0.4
Additions	0.9	-	-	-
Disposals	(0.8)	(7.0)	-	-
Transfer from Level 3	-	(5.8)	-	-
Transfer to Level 3	1.9	0.3	-	-
	100.3	91.4	8.5	10.9

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***12. GROUP'S BORROWINGS AND DEBT SECURITIES**

	Group		Company	
	30 Jun 15 S\$ Mil (Unaudited)	31 Mar 15 S\$ Mil (Audited)	30 Jun 15 S\$ Mil (Unaudited)	31 Mar 15 S\$ Mil (Audited)
Unsecured borrowings				
Repayable within one year	-	150.0	-	-
Repayable after one year	8,405.9	8,590.9	737.2	925.2
	8,405.9	8,740.9	737.2	925.2
Secured borrowings				
Repayable within one year	25.7	24.4	1.1	1.5
Repayable after one year	247.5	213.5	160.4	160.4
	273.2	237.9	161.5	161.9
	8,679.1	8,978.8	898.7	1,087.1

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. In addition, the Group's secured borrowings include certain bank loans of Adconion secured on the assets and shares in Adconion Media, Inc. and its subsidiary, Adconion Direct, Inc. and a fixed and floating charge on the assets in Adconion Pty Ltd.

13. SHARE CAPITAL AND OTHER EQUITY INFORMATION

	30 Jun 15	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Group and Company		
Balance as at beginning and end of period	15,943.5	2,634.0

As at 30 June 2015, the number of outstanding performance shares under Singtel's performance share plans was 41,496,762 (31 March 2015: 37,543,025).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***14. NET ASSET VALUE**

	Group		Company	
	As at		As at	
	30 Jun 15	31 Mar 15	30 Jun 15	31 Mar 15
	S\$	S\$	S\$	S\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per ordinary share	1.59	1.55	1.12	1.10

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 the number of performance shares held by the Trust.

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

- (i) As at 30 June 2015, the Group and Company provided bankers' and other guarantees, and insurance bonds of S\$429.9 million and S\$219.6 million (31 March 2015: S\$413.8 million and S\$225.4 million) respectively.
- (ii) As at 31 March 2015, the Company provided guarantees for loans of S\$800 million drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**") with maturities between September 2015 and May 2017. The loans have been repaid and there was no guarantee provided by the Company as at 30 June 2015.
- (iii) As at 30 June 2015, the Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$4.38 billion (31 March 2015: S\$3.70 billion) due between July 2016 and June 2025.

(b) Consistent with other large groups, Singapore Telecom Australia Investments Pty Limited ("**STAI**"), the head tax entity in Australia, has been subject to information requests from the Australian Taxation Office ("**ATO**"). In December 2013, STAI received a tax position paper from the ATO in connection with the acquisition financing of Optus and subsequently, on 22 October 2014, STAI received a Statement of Audit Position. STAI has received advice from external experts in relation to the matter and has responded to both the position paper and the Statement of Audit Position. Upon STAI's request, the final Statement of Audit Position received will be further subject to an Independent Review within the ATO. STAI intends to defend its position. Accordingly, no provision has been made as at 30 June 2015.

(c) Optus (and certain subsidiaries) is in dispute with third parties regarding certain transactions entered into in the ordinary course of business. Some of these disputes involve legal proceedings relating to the contractual obligations of the parties and/or representations made, including the amounts payable by Optus' companies under the contracts and claims against Optus' companies for compensation for alleged breach of contract and/or representations. Optus is vigorously defending all these claims.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

16. CONTINGENT LIABILITIES OF JOINT VENTURES

- (a) Bharti Airtel Limited ("**Airtel**"), a 32.4% 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 (Singtel's share: S\$356 million) towards levy of one time spectrum charge. The demand included a retrospective charge of Rs. 9.09 billion (Singtel's share: S\$62 million) for holding GSM spectrum beyond 6.2 Mhz for the period from 1 July 2008 to 31 December 2012 and also a prospective charge of Rs. 42.92 billion (Singtel's share: S\$294 million) for GSM spectrum held beyond 4.4 Mhz for the period from 1 January 2013, till the expiry of the initial terms of the respective licenses.

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 June 2015, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 96.2 billion (Singtel's share: S\$658 million). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

Airtel Group has 79.05% shareholding in Airtel Networks Limited ("**ANL**"), whose principal activity is the provision of mobile telecommunication services in Nigeria.

Econet Wireless Limited ("**EWL**") has claimed for entitlement to a 5% stake in ANL in 2004 and a claim alleging breach of a shareholders' agreement between EWL and former shareholders of ANL in 2006. Airtel is appealing earlier court and arbitral decisions and is defending its positions vigorously. Under the terms of the acquisition by Airtel of these assets from Zain International B.V. in 2010, Airtel has the benefit of applicable seller's indemnities in respect of such matters.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

16. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)

- (b) The Group holds an equity interest of 23.3% in Advanced Info Service Public Company Limited (“AIS”).

Revenue share disputes arising from abolishment of excise tax

In January 2008, TOT Public Company Limited (“TOT”) and CAT Telecom Public Company Limited (“CAT”) demanded additional payments of revenue share from AIS and its subsidiary, Digital Phone Company Limited (“DPC”) respectively.

CAT had submitted its case against DPC to arbitration and the Arbitral Tribunal has dismissed CAT’s case against DPC on 1 March 2011. On 3 June 2011, CAT began proceedings to appeal against the Arbitral Tribunal’s decision in the Central Administrative Court. On 28 July 2015, the Central Administrative Court dismissed CAT’s appeal.

On 20 May 2011, the Arbitral Tribunal dismissed TOT’s claim against AIS for additional revenue share. On 22 September 2011, TOT submitted its case to the Central Administrative Court to appeal against the Arbitral Tribunal’s award.

TOT’s demands for additional revenue share

On 26 January 2011, TOT sent a letter demanding AIS to pay additional revenue share based on gross interconnection income received from 2007 to 2010 of THB 17,803 million (Singtel’s share: S\$165 million) plus interest at the rate of 1.25% per month. AIS sent a letter opposing the said claim to TOT on 21 February 2011. On 9 March 2011, AIS submitted the dispute to arbitration.

On 29 July 2014, TOT submitted a dispute to the Arbitration Institute demanding AIS to pay additional revenue share on the interconnection income from 2011 to 2012 amounting to THB 9,984 million (Singtel’s share: S\$93 million) plus interest at the rate of 1.25% per month. TOT requested the Arbitral Tribunal to consider this case together with the case filed on 9 March 2011.

The disputes are pending the arbitration procedures.

TOT’s demand for access charge

On 9 May 2011, TOT submitted a case to the Central Administrative Court against CAT as first defendant and DPC as second defendant demanding access charge amounting to THB 2,954 million (Singtel’s share: S\$27 million) plus interest.

On 31 July 2014, TOT submitted a revised petition to adjust the access charge from THB 2,954 million to THB 5,454 million (Singtel’s share: S\$51 million) calculated up to 16 September 2013 plus value-added tax and interest calculated up to 10 July 2014.

AIS’ management believes that the case has no material impact to its financial statements as DPC has complied with the law and relevant agreements and the dispute will be settled in favour of DPC. This case is pending consideration of the Central Administrative Court.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

16. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)TOT's demand for compensation from 900 MHz subscribers porting to 2100 MHz

On 25 September 2014, TOT submitted a dispute to the Arbitration Institute demanding AIS to pay compensation for the porting of 900 MHz subscribers to 2100 MHz, amounting to THB 9,126 million (Singtel's share: S\$85 million) plus interest at 7.5% per annum, including fees and other expenses to be incurred during the arbitration process.

AIS' management believes that the case has no material impact to its financial statements as AIS has complied with the relevant agreements and the dispute will be settled in favour of AIS. This case is pending the arbitration procedures.

- (c) Globe Telecom, Inc. ("**Globe**"), a 47.2% 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 Group's financial position and results of operations.
- (d) The Group holds an equity interest of 35% in PT Telekomunikasi Selular ("**Telkomsel**"). As at 30 June 2015, Telkomsel has filed appeals and cross-appeals amounting to approximately IDR 699 billion (Singtel's share: S\$25 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

17. DIVIDENDS

No dividends have been recommended in the current quarter ended 30 June 2015. No dividends were recommended or declared for the same period last year.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

18. GROUP SEGMENT INFORMATION

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

Singtel Group is structured into three business segments, namely 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, namely AIS in Thailand, Airtel in India, Africa and South Asia, 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. From 1 April 2015, certain businesses which were previously within Group Digital Life were transferred to Group Consumer.

Group Enterprise comprises the business groups across Singapore and Australia 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 and IT services 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. From 1 April 2015, GDL had sharpened its strategy to focus on three key businesses - digital marketing (Amobee), regional premium video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel's digital innovation engine through Innov8. Certain businesses which were previously within GDL were transferred to Group Consumer.

Corporate comprises the costs of Group functions not allocated to the three 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 business segments using established methodologies.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

18. GROUP SEGMENT INFORMATION (Continued)

Group 30 Jun 2015 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	2,602.9	1,503.2	102.4	-	4,208.5
Operating expenses	(1,830.4)	(1,027.7)	(134.6)	(15.2)	(3,007.9)
Other income	31.6	7.6	1.2	0.3	40.7
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	804.1	483.1	(31.0)	(14.9)	1,241.3
Share of pre-tax results of associates and joint ventures					
- Airtel	167.8	-	-	-	167.8
- Telkomsel	248.6	-	-	-	248.6
- Globe	91.9	-	-	-	91.9
- AIS	116.4	-	-	-	116.4
- Others	0.1	-	-	40.5	40.6
	624.8	-	-	40.5	665.3
EBITDA and share of pre-tax results of associates and joint ventures	1,428.9	483.1	(31.0)	25.6	1,906.6
Depreciation and amortisation	(370.0)	(148.5)	(16.1)	(0.8)	(535.4)
Earnings before interest and tax ("EBIT")	1,058.9	334.6	(47.1)	24.8	1,371.2
Segment assets					
Investment in associates and joint ventures					
- Airtel	5,243.5	-	-	-	5,243.5
- Telkomsel	2,965.9	-	-	-	2,965.9
- Globe	1,049.2	-	-	-	1,049.2
- AIS	739.2	-	-	-	739.2
- Others	23.7	-	-	361.7	385.4
	10,021.5	-	-	361.7	10,383.2
Goodwill on acquisition of subsidiaries	9,191.3	174.2	735.4	-	10,100.9
Other assets	11,022.4	4,759.5	727.9	5,116.4	21,626.2
	30,235.2	4,933.7	1,463.3	5,478.1	42,110.3

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2015

18. GROUP SEGMENT INFORMATION (Continued)

For the first quarter ended 30 June 2015

Group 30 Jun 2014 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	2,544.4	1,555.5	47.7	-	4,147.6
Operating expenses	(1,760.1)	(1,051.5)	(93.1)	(17.0)	(2,921.7)
Other income	22.0	5.8	0.3	0.4	28.5
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	806.3	509.8	(45.1)	(16.6)	1,254.4
Share of pre-tax results of associates and joint ventures					
- Airtel	191.0	-	-	-	191.0
- Telkomsel	222.2	-	-	-	222.2
- Globe	84.3	-	-	-	84.3
- AIS	96.3	-	-	-	96.3
- Others	0.1	-	-	28.1	28.2
	593.9	-	-	28.1	622.0
EBITDA and share of pre-tax results of associates and joint ventures	1,400.2	509.8	(45.1)	11.5	1,876.4
Depreciation and amortisation	(367.7)	(151.3)	(13.0)	(0.9)	(532.9)
Earnings before interest and tax ("EBIT")	1,032.5	358.5	(58.1)	10.6	1,343.5

Group 31 Mar 2015 (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	5,323.3	-	-	-	5,323.3
- Telkomsel	3,410.1	-	-	-	3,410.1
- Globe	1,049.8	-	-	-	1,049.8
- AIS	686.3	-	-	-	686.3
- Others	24.1	-	-	352.6	376.7
	10,493.6	-	-	352.6	10,846.2
Goodwill on acquisition of subsidiaries	9,191.9	175.1	756.0	-	10,123.0
Other assets	10,869.2	4,897.9	781.8	4,548.7	21,097.6
	30,554.7	5,073.0	1,537.8	4,901.3	42,066.8

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2015***18. GROUP SEGMENT INFORMATION (Continued)***For the first quarter ended 30 June 2015*

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

Group	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 14 S\$ Mil (Unaudited)
EBIT	1,371.2	1,343.5
Exceptional items	14.0	(35.2)
Share of exceptional items of associates and joint ventures (post-tax)	31.5	(23.2)
Share of tax of associates and joint ventures	(212.9)	(205.5)
Profit before interest, investment income (net) and tax	1,203.8	1,079.6
Interest and investment income (net)	22.5	23.6
Finance costs	(80.1)	(75.2)
Profit before tax	1,146.2	1,028.0

OTHER INFORMATION

19. The statement of financial position as at 30 June 2015 and the results, statement of changes in equity and cash flows for the first quarter ended 30 June 2015 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 30 of this announcement).

20. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the first quarter ended 30 June 2015.

21. 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 first quarter ended 30 June 2015.

22. 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 first quarter ended 30 June 2015.

23. INTERESTED PERSON TRANSACTIONS

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

24. SUBSEQUENT EVENTS

- (a) On 8 July 2015, the Group's associated company, Singapore Post Limited ("**SingPost**") announced that it has entered into a second investment agreement with Alibaba Investment Limited ("**Alibaba**"). SingPost will issue shares to Alibaba and Alibaba's shareholding in SingPost will increase by 4.76% to 14.51%. The transaction is subject to the fulfilment of certain conditions precedent, including relevant approvals from regulatory authorities and shareholders. Upon completion, the Group's shareholding in SingPost will change from 23.0% to 21.9%.
- (b) On 30 July 2015, the Group completed the sale of its 30% shareholding in Abacus Travel Systems Pte Ltd ("**ATS**") for a cash consideration of US\$3 million. Following the divestment, ATS ceased to be a joint venture of the Group.

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 first quarter ended 30 June 2015 to be false or misleading.

On behalf of the Board of Directors

Bobby Chin
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
12 August 2015

INDEPENDENT AUDITORS' 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 FIRST
QUARTER ENDED 30 JUNE 2015****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("Singtel" or the "Company") as of 30 June 2015 and statement of changes in equity of the Company for the First Quarter then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "Group") as of 30 June 2015 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the First Quarter 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, 12 August 2015