



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
FOR THE FIRST QUARTER ENDED 30 JUNE 2016**

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CONSOLIDATED INCOME STATEMENT*For the first quarter ended 30 June 2016*

	Notes	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Operating revenue		3,907.9	4,208.5
Operating expenses	2	(2,732.4)	(3,007.9)
Other income	3	60.3	40.7
		<u>1,235.8</u>	<u>1,241.3</u>
Depreciation and amortisation	4	(543.4)	(535.4)
		692.4	705.9
Exceptional items	5	(30.5)	14.0
Profit on operating activities		661.9	719.9
Associates and joint ventures			
- share of ordinary results		767.1	665.3
- share of tax of ordinary results		(227.1)	(212.9)
- share of exceptional items (post-tax)	6	11.5	31.5
		<u>551.5</u>	<u>483.9</u>
Profit before interest, investment income (net) and tax		1,213.4	1,203.8
Interest and investment income (net)	7	25.0	22.5
Finance costs	8	(90.1)	(80.1)
Profit before tax		1,148.3	1,146.2
Tax expense	9	(207.8)	(205.0)
Profit after tax		940.5	941.2
Attributable to:			
Shareholders of the Company		944.3	941.6
Non-controlling interests		(3.8)	(0.4)
		<u>940.5</u>	<u>941.2</u>
Earnings per share attributable to shareholders of the Company			
- basic	10	5.93¢	5.91¢
- diluted	10	5.91¢	5.90¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the first quarter ended 30 June 2016*

	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Profit after tax	940.5	941.2
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	(550.5)	(450.1)
Cash flow hedges		
- Fair value changes	79.8	41.6
- Tax effects	(13.1)	(8.1)
	66.7	33.5
- Fair value changes transferred to income statement	(56.4)	49.9
- Tax effects	11.9	5.7
	(44.5)	55.6
	22.2	89.1
Fair value changes on available-for-sale investments during the quarter	5.4	(16.3)
Share of other comprehensive (loss)/ gain of associates and joint ventures	(1.3)	24.7
Other comprehensive loss, net of tax	(524.2)	(352.6)
Total comprehensive income	416.3	588.6
Attributable to:		
Shareholders of the Company	420.0	588.7
Non-controlling interests	(3.7)	(0.1)
	416.3	588.6

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2016

	Notes	Group		Company	
		As at 30 Jun 16 S\$ Mil (Unaudited)	As at 31 Mar 16 S\$ Mil (Audited)	As at 30 Jun 16 S\$ Mil (Unaudited)	As at 31 Mar 16 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		965.7	461.8	76.8	83.7
Trade and other receivables		4,220.0	4,366.4	523.7	504.2
Due from subsidiaries		-	-	1,870.2	2,525.2
Derivative financial instruments		12.8	17.5	10.1	9.5
Inventories		292.8	319.7	29.5	21.5
		5,491.3	5,165.4	2,510.3	3,144.1
Non-current assets					
Property, plant and equipment		10,852.6	11,154.0	2,143.0	2,171.4
Intangible assets		12,914.4	12,968.4	0.3	0.3
Subsidiaries		-	-	14,947.2	14,182.3
Joint ventures		10,110.5	10,729.9	22.9	21.2
Associates		349.3	356.3	603.5	603.5
Loan to an associate		1,100.5	1,100.5	1,100.5	1,100.5
Available-for-sale investments ("AFS")		164.0	147.5	36.6	35.1
Derivative financial instruments		664.3	622.6	328.5	321.0
Deferred tax assets		646.6	692.3	-	-
Other non-current receivables		546.3	628.8	173.7	175.4
		37,348.5	38,400.3	19,356.2	18,610.7
Total assets		42,839.8	43,565.7	21,866.5	21,754.8
Current liabilities					
Trade and other payables		4,219.9	4,597.1	821.4	917.7
Due to subsidiaries		-	-	559.7	666.7
Advance billings		780.0	800.2	76.1	76.2
Current tax liabilities		401.2	364.4	129.5	94.1
Borrowings (unsecured)	12	957.6	595.5	-	-
Borrowings (secured)	12	90.3	90.2	1.3	1.5
Derivative financial instruments		12.1	24.6	11.9	13.7
Net deferred gain		68.8	67.9	-	-
		6,529.9	6,539.9	1,599.9	1,769.9
Non-current liabilities					
Borrowings (unsecured)	12	7,940.0	9,019.0	748.7	747.2
Borrowings (secured)	12	238.1	236.0	158.5	158.8
Derivative financial instruments		290.6	316.2	397.1	416.7
Advance billings		265.6	265.5	133.8	139.5
Net deferred gain		1,311.7	1,323.3	-	-
Deferred tax liabilities		574.2	585.3	281.8	270.5
Other non-current liabilities		266.2	278.0	13.4	18.4
		10,886.4	12,023.3	1,733.3	1,751.1
Total liabilities		17,416.3	18,563.2	3,333.2	3,521.0
Net assets		25,423.5	25,002.5	18,533.3	18,233.8
Share capital and reserves					
Share capital	13	2,634.0	2,634.0	2,634.0	2,634.0
Reserves		22,779.4	22,355.2	15,899.3	15,599.8
Equity attributable to shareholders of the Company					
Non-controlling interests		32.5	35.7	-	-
Other reserve		(22.4)	(22.4)	-	-
Total equity		25,423.5	25,002.5	18,533.3	18,233.8

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2016

Group - 2016	Attributable to shareholders of the Company											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	Non-controlling Interests S\$ Mil	Other Reserve ⁽⁴⁾ S\$ Mil	
				Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve 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 quarter												
Performance shares purchased by the Company	-	(1.0)	-	-	-	-	-	-	(1.0)	-	-	(1.0)
Performance shares purchased by Trust ⁽⁵⁾	-	(2.4)	-	-	-	-	-	-	(2.4)	-	-	(2.4)
Performance shares vested	-	18.1	(18.1)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	10.6	-	-	-	-	-	10.6	0.5	-	11.1
Transfer of liability to equity	-	-	4.5	-	-	-	-	-	4.5	-	-	4.5
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	-	-	(0.5)	-	-	(0.5)
Performance shares purchased by Optus and vested	-	-	(7.0)	-	-	-	-	-	(7.0)	-	-	(7.0)
Share of other reserves of associates and joint ventures	-	-	0.5	-	-	-	-	(0.5)	-	-	-	-
	-	14.7	(10.0)	-	-	-	-	(0.5)	4.2	0.5	-	4.7
Total comprehensive (loss)/ income for the quarter	-	-	-	(550.6)	22.2	5.4	944.3	(1.3)	420.0	(3.7)	-	416.3
Balance as at 30 June 2016	2,634.0	(15.9)	(126.4)	(5,490.9)	17.2	45.9	29,401.2	(1,051.7)	25,413.4	32.5	(22.4)	25,423.5

SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2016

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 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 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 ⁽⁵⁾	-	(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 2016

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 quarter							
Performance shares purchased by the Company	-	(1.0)	-	-	-	-	(1.0)
Performance shares vested	-	2.2	(2.2)	-	-	-	-
Equity-settled share based payment	-	-	4.3	-	-	-	4.3
Transfer of liability to equity	-	-	4.8	-	-	-	4.8
Cash paid to employees under performance share plans	-	-	(0.5)	-	-	-	(0.5)
Contribution to Trust ⁽⁵⁾	-	-	(0.8)	-	-	-	(0.8)
	-	1.2	5.6	-	-	-	6.8
Total comprehensive income for the quarter	-	-	-	28.3	1.4	263.0	292.7
Balance as at 30 June 2016	2,634.0	-	(65.7)	75.0	26.9	15,863.1	18,533.3

SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the first quarter ended 30 June 2016

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 ⁽⁵⁾	-	-	(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

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 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.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the first quarter ended 30 June 2016

	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Cash Flows from Operating Activities		
Profit before tax	1,148.3	1,146.2
Adjustments for:		
Depreciation and amortisation	543.4	535.4
Exceptional items	(0.1)	(17.8)
Interest and investment income (net)	(25.0)	(22.5)
Finance costs	90.1	80.1
Share of results of associates and joint ventures (post-tax)	(551.5)	(483.9)
Other non-cash items	6.7	11.2
	<u>63.6</u>	<u>102.5</u>
Operating cash flow before working capital changes	1,211.9	1,248.7
Changes in operating assets and liabilities		
Trade and other receivables	(84.1)	(266.5)
Trade and other payables	(193.6)	(121.1)
Inventories	21.5	12.2
Currency translation adjustments of subsidiaries	(2.7)	(1.9)
	<u>953.0</u>	<u>871.4</u>
Cash generated from operations	953.0	871.4
Payment to employees in cash under performance share plans	(0.3)	(0.4)
Dividends received from associates and joint ventures	945.3	761.1
Income tax and withholding tax paid	(161.2)	(149.2)
	<u>1,736.8</u>	<u>1,482.9</u>
Net cash inflow from operating activities	1,736.8	1,482.9
Cash Flows from Investing Activities		
Payment for purchase of property, plant and equipment	(504.5)	(508.5)
Purchase of intangible assets	(50.7)	(62.7)
Investment in AFS investments	(12.2)	(15.7)
Investment in a joint venture	(1.7)	-
Proceeds from sale of AFS investments	50.5	19.1
Deferred proceeds/ proceeds from disposal of associates and joint ventures	42.3	-
Proceeds from sale of property, plant and equipment	32.7	0.1
Interest received	4.2	20.7
Dividends received from AFS investments	0.7	0.7
	<u>(438.7)</u>	<u>(546.3)</u>
Net cash outflow for investing activities	(438.7)	(546.3)

CONSOLIDATED STATEMENT OF CASH FLOWS*For the first quarter ended 30 June 2016*

	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Cash Flows from Financing Activities		
Proceeds from term loans	655.2	560.7
Repayment of term loans	(1,329.6)	(1,511.8)
Proceeds from bond issue	-	922.5
Proceeds from finance lease liabilities	1.7	35.1
Finance lease payments	<u>(8.7)</u>	<u>(12.4)</u>
Net repayment of borrowings	(681.4)	(5.9)
Net interest paid on borrowings and swaps	(102.3)	(83.9)
Purchase of performance shares	<u>(10.5)</u>	<u>(15.0)</u>
Net cash outflow for financing activities	<u>(794.2)</u>	<u>(104.8)</u>
Net change in cash and cash equivalents	503.9	831.8
Exchange effects on cash and cash equivalents	*	(4.9)
Cash and cash equivalents at beginning of period	<u>461.8</u>	<u>562.8</u>
Cash and cash equivalents at end of period	<u>965.7</u>	<u>1,389.7</u>

“*” denotes less than +/- S\$50,000.

Note (1): For the purposes of the consolidated cash flow statements, cash and cash equivalents comprise:

	As at 30 Jun	
	2016 S\$ Mil (Unaudited)	2015 S\$ Mil (Unaudited)
Fixed deposits	262.2	188.1
Cash and bank balances	<u>703.5</u>	<u>1,201.6</u>
	<u>965.7</u>	<u>1,389.7</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***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 2016. The adoption of the new or revised FRS, amendments to FRS and Interpretations to FRS which became mandatory from 1 April 2016 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 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Impairment of trade receivables	35.4	34.4
Allowance for inventory obsolescence	<u>0.6</u>	<u>8.6</u>

3. OTHER INCOME

Other income included the following items -

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Rental income	0.9	1.0
Bad trade debts recovered	0.8	1.2
Net exchange (losses)/ gains - trade related	(3.8)	1.7
Net gains/ (losses) on disposal of property, plant and equipment	<u>5.4</u>	<u>(0.6)</u>

4. DEPRECIATION AND AMORTISATION

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	476.3	477.2
Amortisation of intangibles	67.9	59.0
Amortisation of deferred gain on sale of a joint venture	<u>(0.8)</u>	<u>(0.8)</u>
	<u>543.4</u>	<u>535.4</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***5. EXCEPTIONAL ITEMS**

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Exceptional gains		
Gain on sale of AFS investments	0.1	23.1
	0.1	23.1
Exceptional losses		
Staff restructuring costs	(30.6)	(3.8)
Impairment of AFS investments	-	(5.3)
	(30.6)	(9.1)
	<u>(30.5)</u>	<u>14.0</u>

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

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Share of Airtel's exceptional items	22.8	31.5
Share of AIS' handset subsidy costs	<u>(11.3)</u>	<u>-</u>
	<u>11.5</u>	<u>31.5</u>

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2016

7. INTEREST AND INVESTMENT INCOME (NET)

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Interest income from		
- bank deposits	1.6	1.4
- others	9.0	11.3
	10.6	12.7
Dividends from joint ventures	17.8	11.1
Gross dividends from AFS investments	0.2	0.3
Fair value (losses)/ gains on fair value hedges		
- hedged item	(6.4)	202.7
- hedging instrument	7.5	(213.7)
	1.1	(11.0)
Fair value (losses)/ gains on cash flow hedges transferred from other comprehensive income		
- hedged item	(56.4)	60.9
- hedging instrument	56.4	(49.9)
	-	11.0
Other fair value (losses)/ gains	(4.5)	3.1
Net foreign exchange losses - non-trade related	(0.2)	(4.7)
	25.0	22.5

8. FINANCE COSTS

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Interest expense on		
- bonds	74.6	63.4
- bank loans	8.3	9.5
- others	7.0	7.1
	89.9	80.0
Less: Amounts capitalised	-	(0.6)
	89.9	79.4
Effects of hedging using interest rate swaps	(0.3)	(0.3)
Unwinding of discounts (including adjustments)	0.5	1.0
	90.1	80.1

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***9. TAX EXPENSE (NET)**

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	132.4	143.1
Current and deferred tax adjustments in respect of prior years	(3.0)	(0.7)
Withholding and dividend distribution taxes on dividend income from joint ventures	78.4	62.6
	<u>207.8</u>	<u>205.0</u>

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group	30 Jun 16 '000 (Unaudited)	30 Jun 15 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,936,803	15,934,027
Adjustment for dilutive effect of performance share plans	38,370	30,413
Weighted average number of ordinary shares for calculation of diluted earnings per share	<u>15,975,173</u>	<u>15,964,440</u>

The weighted average number of ordinary shares in issue had 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 2016

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 2016:

Group 30 Jun 2016 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	39.9	-	-	39.9
- Unquoted investments	-	-	53.4	53.4
	39.9	-	53.4	93.3
Derivative financial instruments	-	677.1	-	677.1
	39.9	677.1	53.4	770.4
Financial liabilities				
Derivative financial instruments	-	302.7	-	302.7

Group 31 Mar 2016 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted investments	41.5	-	-	41.5
- Unquoted investments	-	-	42.9	42.9
	41.5	-	42.9	84.4
Derivative financial instruments	-	640.1	-	640.1
	41.5	640.1	42.9	724.5
Financial liabilities				
Derivative financial instruments	-	340.8	-	340.8

Note:

(1) Excluded AFS investments stated at cost of S\$70.7 million (31 March 2016: S\$63.1 million).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***11. FAIR VALUE MEASUREMENTS (Continued)**

Company 30 Jun 2016 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	27.9	-	-	27.9
- Unquoted investments	-	-	8.7	8.7
	27.9	-	8.7	36.6
Derivative financial instruments	-	338.6	-	338.6
	27.9	338.6	8.7	375.2
Financial liabilities				
Derivative financial instruments	-	409.0	-	409.0

Company 31 Mar 2016 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted investments	27.4	-	-	27.4
- Unquoted investments	-	-	7.7	7.7
	27.4	-	7.7	35.1
Derivative financial instruments	-	330.5	-	330.5
	27.4	330.5	7.7	365.6
Financial liabilities				
Derivative financial instruments	-	430.4	-	430.4

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***11. FAIR VALUE MEASUREMENTS (Continued)**

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 30 June 2016:

30 Jun 2016 (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>8,335.2</u>	6,141.2	2,746.3	-	<u>8,887.5</u>
Company					
Bonds	<u>748.7</u>	1,000.2	-	-	<u>1,000.2</u>

31 Mar 2016 (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>8,347.6</u>	6,100.1	2,746.3	-	<u>8,846.4</u>
Company					
Bonds	<u>747.2</u>	969.0	-	-	<u>969.0</u>

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 first quarter ended 30 June 2016

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	
	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
AFS investments - unquoted				
Balance as at 1 April	42.9	100.5	7.7	9.5
Total gains/ (losses) included in 'Fair Value Reserve'	6.0	(2.2)	1.0	(1.0)
Additions	2.5	0.9	-	-
Disposals	-	(0.8)	-	-
Transfer from Level 3	(0.9)	-	-	-
Transfer to Level 3	2.9	1.9	-	-
	53.4	100.3	8.7	8.5

12. GROUP'S BORROWINGS AND DEBT SECURITIES

	Group		Company	
	30 Jun 16 S\$ Mil (Unaudited)	31 Mar 16 S\$ Mil (Audited)	30 Jun 16 S\$ Mil (Unaudited)	31 Mar 16 S\$ Mil (Audited)
Unsecured borrowings				
Repayable within one year	957.6	595.5	-	-
Repayable after one year	7,940.0	9,019.0	748.7	747.2
	8,897.6	9,614.5	748.7	747.2
Secured borrowings				
Repayable within one year	90.3	90.2	1.3	1.5
Repayable after one year	238.1	236.0	158.5	158.8
	328.4	326.2	159.8	160.3
	9,226.0	9,940.7	908.5	907.5

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 as at 30 June 2016 included:

- 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; and
- certain bank loans of Trustwave, secured on the assets of Trustwave and shares in certain of its subsidiaries.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2016

13. SHARE CAPITAL AND OTHER EQUITY INFORMATION

Group and Company	30 Jun 16	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at beginning and end of period	15,943.5	2,634.0

As at 30 June 2016, the number of outstanding performance shares under Singtel's performance share plans was 39,484,601 (31 March 2016: 36,937,088).

14. NET ASSET VALUE

	Group As at		Company As at	
	30 Jun 16 S\$ (Unaudited)	31 Mar 16 S\$ (Audited)	30 Jun 16 S\$ (Unaudited)	31 Mar 16 S\$ (Audited)
Net asset value per ordinary share	1.59	1.57	1.16	1.14

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 2016, the Group and Company provided bankers' and other guarantees, and insurance bonds of S\$658.3 million and S\$408.8 million (31 March 2016: S\$337.1 million and S\$103.2 million) respectively.
- (ii) As at 31 March 2016, the Company provided guarantees for loans of S\$740 million drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("SGT") with maturities between December 2016 and May 2017. The loans have been repaid and there was no guarantee provided by the Company as at 30 June 2016.
- (iii) As at 30 June 2016, the Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$4.63 billion (31 March 2016: S\$4.63 billion) due between July 2016 and June 2025.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2016

15. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES (Continued)

- (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. On 22 October 2014, STAI received a Statement of Audit Position. On 30 November 2015, STAI received the final Statement of Audit Position from the ATO. On 18 July 2016, STAI received the findings and recommendations of ATO’s Independent Review. STAI has received advice from external experts in relation to the matter and intends to defend its position. Accordingly, no provision has been made as at 30 June 2016.
- (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.

16. CONTINGENT LIABILITIES OF JOINT VENTURES

- (a) Bharti Airtel Limited (“**Airtel**”), a 32.9% 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\$342 million) towards levy of one time spectrum charge. The demand included a retrospective charge of Rs. 9.09 billion (Singtel’s share: S\$60 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\$282 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 2016, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 105 billion (Singtel’s share: S\$688 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.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2016

16. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)

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. (“**Zain**”) in 2010, Airtel has the benefit of applicable seller’s indemnities in respect of such matters. As a protective measure, Airtel has initiated an arbitration against Zain and its guarantor, Mobile Telecommunication Company with respect to the indemnities.

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

In 2008, TOT Public Company Limited (“**TOT**”) and CAT Telecom Public Company Limited (“**CAT**”) demanded that AIS and its subsidiary, Digital Phone Company Limited (“**DPC**”) respectively pay additional revenue shares of THB 31.5 billion (Singtel’s share: S\$282 million) and THB 3.4 billion (Singtel’s share: S\$30 million) arising from the abolishment of excise tax. These claims were dismissed by the lower tribunals and are now pending appeal by TOT and CAT before the Supreme Administrative Court and Central Administrative Court respectively.

In 2011 and in 2014, TOT demanded that AIS pays additional revenue share based on gross interconnection income from 2007 to 2012 amounting to THB 27.8 billion (Singtel’s share: S\$249 million) plus interest. The claims are pending arbitration.

In 2015, TOT demanded that AIS pays additional revenue share of THB 62.8 billion (Singtel’s share: S\$562 million) 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.

In 2016, TOT revised an earlier demand made in 2014 to THB 41.1 billion (Singtel’s share: S\$368 million) plus interest for the porting of subscribers from 900MHz to 2100MHz network. This case is pending arbitration.

As at 30 June 2016, there are a number of other claims filed by third parties against AIS and its subsidiaries amounting to THB 25.1 billion (Singtel’s share: S\$224 million) 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 first quarter ended 30 June 2016

16. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)

- (c) 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 Group's financial position and results of operations.

On 7 June 2016, the Philippine Competition Commission ("**PCC**") claimed that the Joint Notice ("**Notice**") filed by Globe, PLDT Inc. and San Miguel Corporation ("**SMC**") on 30 May 2016 disclosing the acquisition of SMC's telecommunications business was deficient in form and substance and cannot be claimed to be deemed approved. On 10 June 2016, Globe responded that the Notice was filed in accordance with the prevailing rules and regulations of the Philippine Competition Act. On 12 July 2016, Globe filed a petition, asking the Court of Appeals ("**CA**") for a temporary restraining order to restrain the PCC from reviewing the acquisition of SMC's telecommunications business. On 25 July 2016, the CA issued a resolution denying Globe's application. In the same resolution, PCC is required to file a comment on Globe's petition within 10 days from receipt thereof. The case is still pending deliberation by the CA.

- (d) The Group holds an equity interest of 35% in PT Telekomunikasi Selular ("**Telkomsel**"). As at 30 June 2016, Telkomsel has filed appeals and cross-appeals amounting to approximately IDR 802 billion (Singtel's share: S\$29 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 2016. 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 2016

18. GROUP SEGMENT INFORMATION

For the first quarter ended 30 June 2016

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 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.

Group Enterprise comprises the business groups across Singapore, Australia, U.S., 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 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 business segments using established methodologies.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the first quarter ended 30 June 2016

18. GROUP SEGMENT INFORMATION (Continued)

For the first quarter ended 30 June 2016

Group 30 Jun 2016 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	2,197.1	1,579.9	130.9	-	3,907.9
Operating expenses	(1,459.2)	(1,095.9)	(158.4)	(18.9)	(2,732.4)
Other income	61.4	6.1	(8.2)	1.0	60.3
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	799.3	490.1	(35.7)	(17.9)	1,235.8
Share of pre-tax results of associates and joint ventures					
- Airtel	176.4	-	-	-	176.4
- Telkomsel	325.6	-	-	-	325.6
- Globe	89.5	-	-	-	89.5
- AIS	122.4	-	-	-	122.4
- Others	0.1	-	-	53.1	53.2
	714.0	-	-	53.1	767.1
EBITDA and share of pre-tax results of associates and joint ventures	1,513.3	490.1	(35.7)	35.2	2,002.9
Depreciation and amortisation	(365.3)	(160.6)	(17.2)	(0.3)	(543.4)
Earnings before interest and tax ("EBIT")	1,148.0	329.5	(52.9)	34.9	1,459.5
Segment assets					
Investment in associates and joint ventures					
- Airtel	5,224.7	-	-	-	5,224.7
- Telkomsel	3,008.1	-	-	-	3,008.1
- Globe	1,085.6	-	-	-	1,085.6
- AIS	693.5	-	-	-	693.5
- Others	24.4	-	-	423.5	447.9
	10,036.3	-	-	423.5	10,459.8
Goodwill on acquisition of subsidiaries	9,189.4	1,198.9	704.0	-	11,092.3
Other assets	11,583.5	5,752.5	771.7	3,180.0	21,287.7
	30,809.2	6,951.4	1,475.7	3,603.5	42,839.8

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***18. GROUP SEGMENT INFORMATION (Continued)***For the first quarter ended 30 June 2016*

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
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)
EBIT	1,058.9	334.6	(47.1)	24.8	1,371.2

Group 31 Mar 2016 (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	5,478.7	-	-	-	5,478.7
- Telkomsel	3,471.0	-	-	-	3,471.0
- Globe	1,079.9	-	-	-	1,079.9
- AIS	605.7	-	-	-	605.7
- Others	24.7	-	-	426.2	450.9
	10,660.0	-	-	426.2	11,086.2
Goodwill on acquisition of subsidiaries	9,191.2	1,195.8	703.3	-	11,090.3
Other assets	11,728.9	5,228.5	608.8	3,823.0	21,389.2
	31,580.1	6,424.3	1,312.1	4,249.2	43,565.7

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the first quarter ended 30 June 2016***18. GROUP SEGMENT INFORMATION (Continued)***For the first quarter ended 30 June 2016*

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

Group	30 Jun 16 S\$ Mil (Unaudited)	30 Jun 15 S\$ Mil (Unaudited)
EBIT	1,459.5	1,371.2
Exceptional items	(30.5)	14.0
Share of exceptional items of associates and joint ventures (post-tax)	11.5	31.5
Share of tax of associates and joint ventures	(227.1)	(212.9)
Profit before interest, investment income (net) and tax	1,213.4	1,203.8
Interest and investment income (net)	25.0	22.5
Finance costs	(90.1)	(80.1)
Profit before tax	1,148.3	1,146.2

OTHER INFORMATION

19. The statements of financial position as at 30 June 2016 and the income statement, statement of comprehensive income, changes in equity and cash flows for the first quarter ended 30 June 2016 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 28 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 2016.

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 2016.

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 2016.

23. INTERESTED PERSON TRANSACTIONS

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

24. 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 first quarter ended 30 June 2016 to be false or misleading.

On behalf of the Board of Directors

Bobby Chin
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
10 August 2016

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 FIRST
QUARTER ENDED 30 JUNE 2016****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("**Singtel**" or the "**Company**") as of 30 June 2016 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 2016 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, 10 August 2016