

SingTel: Asia's leading communications group



CIMB 4th Annual Pacific Conference, Kuala Lumpur
10 June 2014

Forward looking statement – important note

The following presentation contains forward looking statements by the management of Singapore Telecommunications Limited ("SingTel"), relating to financial trends for future periods, compared to the results for previous periods.

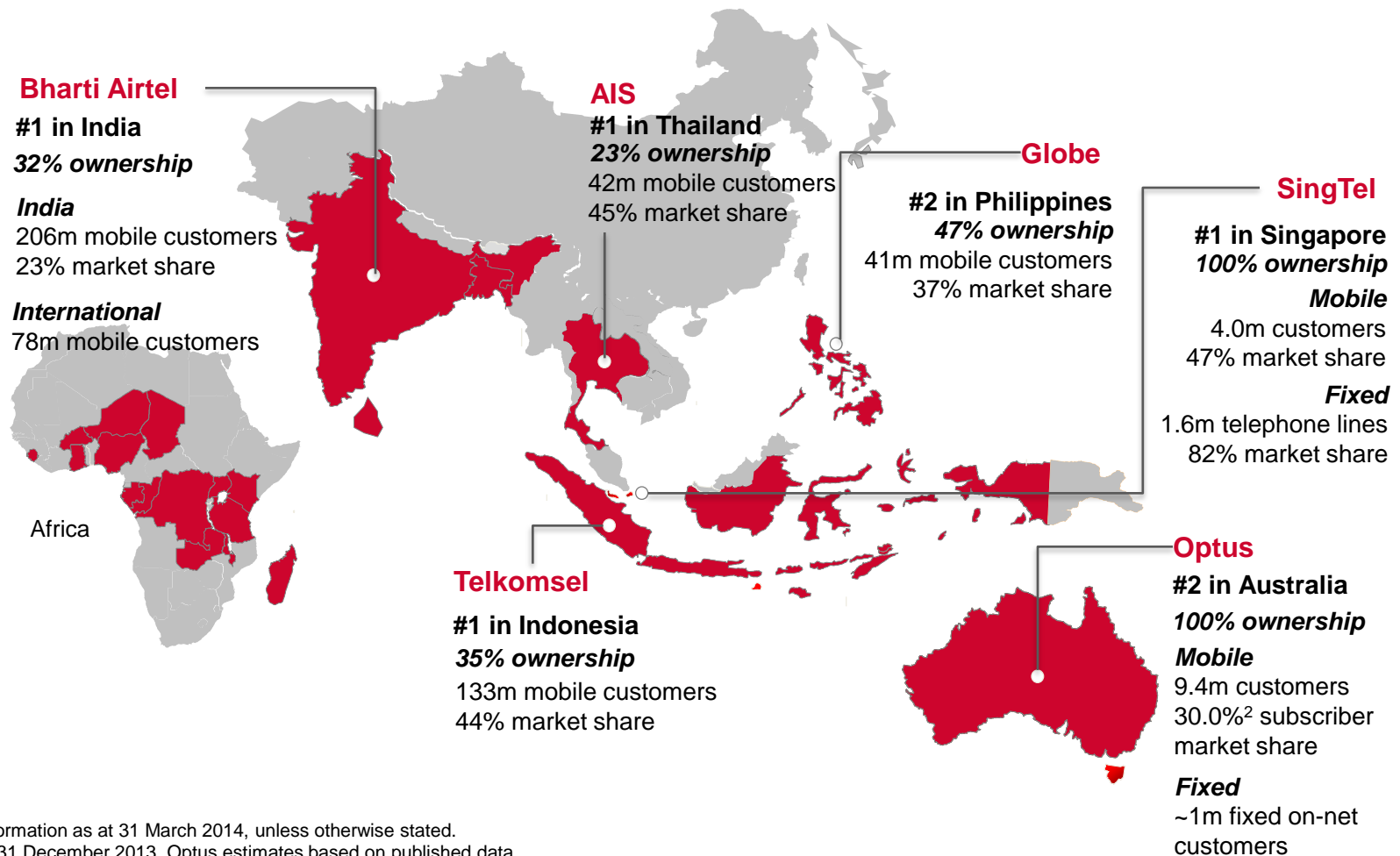
Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of SingTel. In particular, such targets should not be regarded as a forecast or projection of future performance of SingTel. It should be noted that the actual performance of SingTel may vary significantly from such targets.

“S\$” means Singapore dollars and "A\$" means Australian dollars unless otherwise indicated. Any discrepancies between individual amounts and totals are due to rounding.

Asia's leading communications group

Diversified operations

514m mobile customers across Asia-Pacific & Africa



1. All information as at 31 March 2014, unless otherwise stated.
2. As at 31 December 2013. Optus estimates based on published data.

Organisation structure supports strategic objectives

Group Consumer

leading provider of next generation communication, infotainment and technology services across Asia Pacific and Africa



Group Enterprise

offers companies comprehensive and integrated ICT solutions, covering mobile, voice and data infrastructure, managed services, cloud computing, IT services & professional consulting



Group Digital Life

focused on building next generation growth engines and key digital solutions that deliver relevant, personalised and timely content and services



Business highlights

Group Consumer

- › Continued investments in networks, spectrum and new technologies across all geographies:
 - Singapore's fastest 4G network¹
 - Australia 4G coverage at 75% metro population
 - 3G network roll-out in Indonesia, Thailand, the Philippines, India & Africa
- › Introduced new mobile plans to monetise data growth
- › Retooled processes, workforce and sales & distribution channels for Australia consumer business



Group Enterprise

- › Expanded cloud solutions and increased G-cloud take-up
- › Investments in submarine cable (SMW5) and data centres
- › Major customer wins and recontracts



Group Digital Life

- › Strong growth in mobile advertising in Asia
- › Deepening customer engagement with digital content



10 million
Unique visitors / MAUs

1. Straits Times Digital Life and OpenSignal.
2. Unified Communications-as-a-Service.

Strong earnings growth across key businesses

Full year ended 31 Mar 2014 % change

Operating revenue

> S\$16,848m

-7%

EBITDA

> S\$5,155m

-1%

Regional Mobile Associates' pre-tax earnings¹

> S\$2,115m

+6%

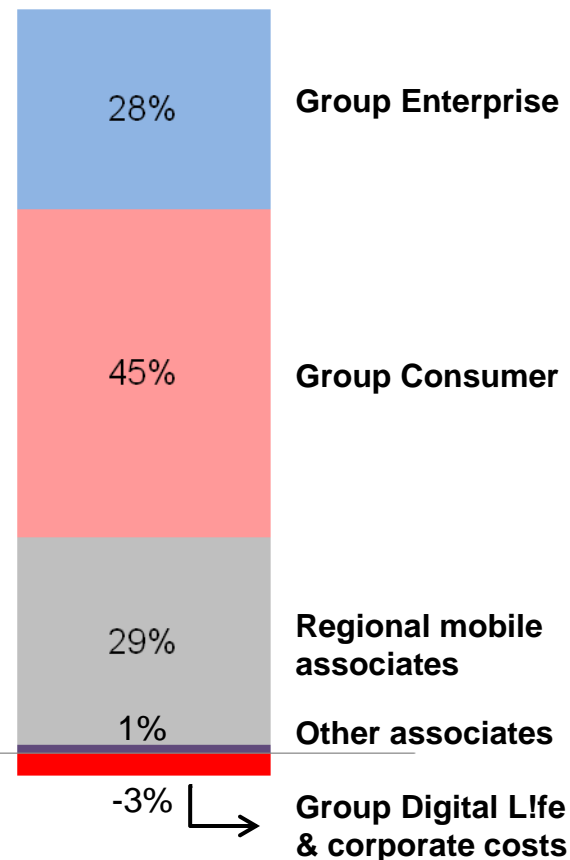
Net profit

> S\$3,652m

+4%

EBITDA & Associates' pre-tax earnings^{1&2} contribution mix

S\$7,357m



1. Excluding exceptional items.

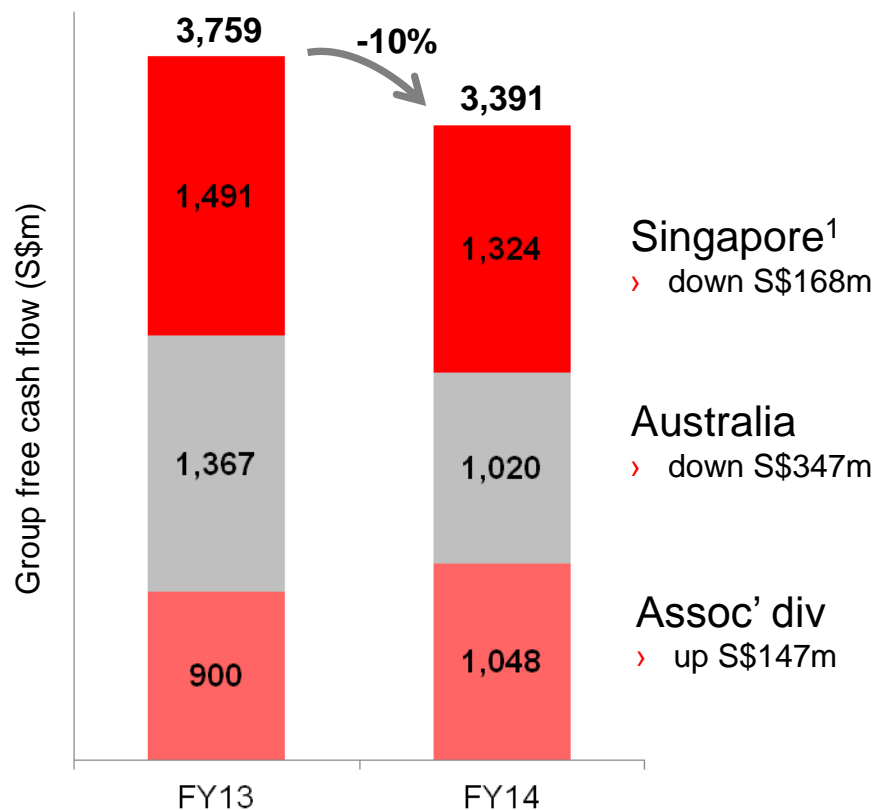
2. Associates' pre-tax earnings based on the Group's effective interests in the respective entities.

Sound financial position

Free cash flow

S\$3,391m

Solid balance sheet



Net debt

S\$7.5 b

Net gearing²

24.0%

Net debt: EBITDA & share of associates' pre-tax profits

1.0x

EBITDA & share of associates' pre-tax profits : Net interest expense

28.7x

S&P's rating A+

Moody's rating Aa3

- For FY14 free cash flow from Singapore has been adjusted to exclude payment of S\$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S\$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.
- Ratio of net debt to net capitalisation, which is the aggregate of net debt, shareholders' funds and minority interests.

Total dividends 16.8¢ per share

Dividend payout

74%
of underlying net profit

Proposed final dividend

> payable in Aug 2014

10.0¢

Interim dividend

> paid in Jan 2014

6.8¢

Total ordinary dividends

16.8¢

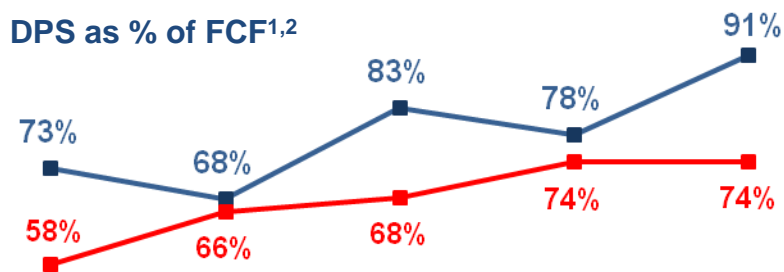
**Dividend
payout ratio**

60% to 75%
of underlying net profit

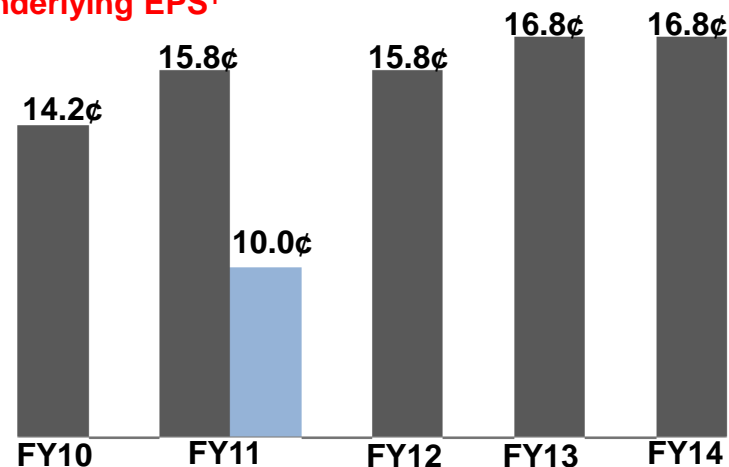
5 year ordinary dividends

> steady growth

DPS as % of FCF^{1,2}



DPS as % of
underlying EPS¹



■ Ordinary dividend per share

■ Special dividend

1. Does not include special dividends in FY11 – 10.0c

2. Free cash flow after interest and tax

Strategic focus

**Transforming
Our Core**

Improve profitability and drive scale and efficiencies across the Group

Drive breakthroughs in customer experience

Capture value from mobile data growth

Strengthen and grow in existing and new Enterprise markets

Allocate up to S\$2 billion for strategic digital investments in the digital space till FY2016

**Capturing
growth in digital**

FY15 Outlook¹

Group	Revenue	Stable
	EBITDA	Stable
	Capital expenditure	Approx. S\$2.3b Approx. S\$900m for Singapore Approx. S\$1.4b for Australia
	Free cash flow ²	Stable
	Ordinary dividends from Regional Mobile Associates	Approx. S\$1.0b
Core Business³	Revenue	Stable
	EBITDA	↑ low single digit level
	Singapore Mobile Communications revenue	↑ mid single digit level
	Australia Mobile Service revenue	↓ low single digit level
	Group ICT ⁴ revenue	↑ low single digit level
Group Digital Life (for existing businesses only)	Revenue	↑ approx. 50%
	EBITDA	Negative EBITDA to decrease approx. 20%

1. Guidance is given on a constant currency basis
2. Excluding spectrum payments of approx. S\$900m and associates' dividends

3. Comprises Group Consumer and Group Enterprise
4. Comprises Managed Services and Business Solutions



SingTel