

# SingTel: Asia's Leading Communications Company

CLSA Investors' Forum 2009  
(21 – 22 Sep 2009)



## Forward looking statements - 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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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.

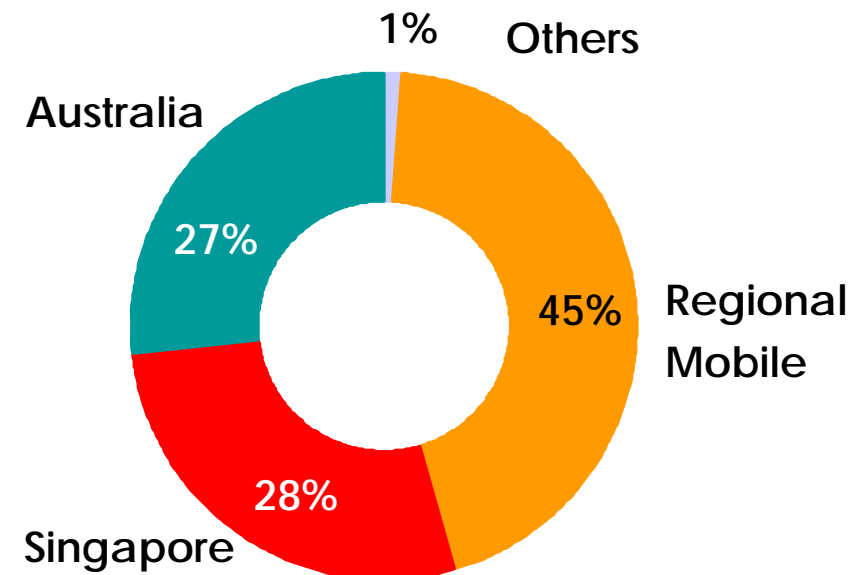
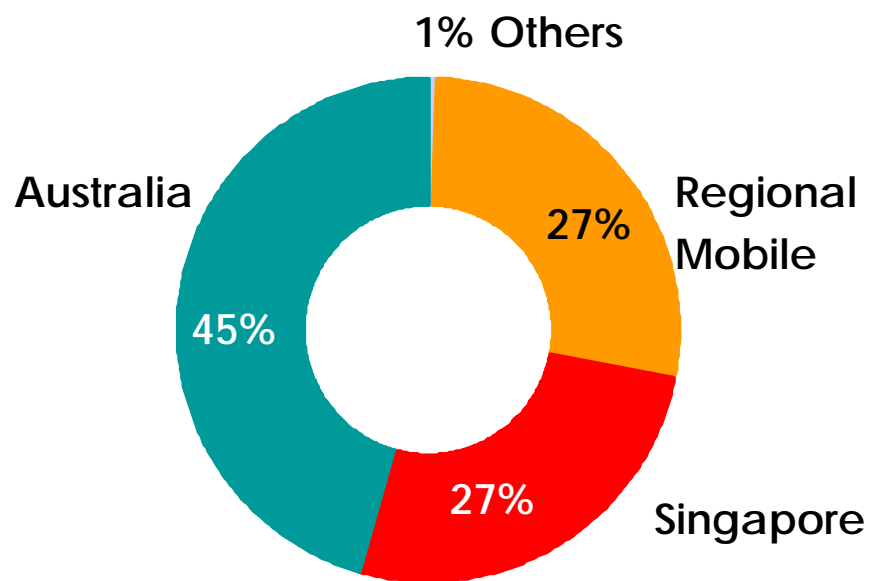
# SingTel Group: diversified operations

Proportionate revenue<sup>1</sup>  
outside Singapore

73%<sup>2</sup>

Proportionate EBITDA<sup>1</sup>  
outside Singapore

72%<sup>3</sup>



1. Proportionate information is provided as supplementary data only – to show relative contribution from Singapore, Australia and other regional markets
2. Consolidated revenue plus proportionate share of associates revenue – 3 months to Jun 09
3. Consolidated EBITDA plus proportionate share of associates EBITDA – 3 months to Jun 09

# Q1 June 09: strong earnings growth

## Group performance

Revenue  
➤ up 2%

**S\$3,848m**

Underlying NPAT  
➤ up 10%

**S\$945m**

## Singapore

Revenue  
➤ up 10%

**S\$1,383m**

EBITDA<sup>1</sup>  
➤ up 11%

**S\$578m**

## Optus

Revenue<sup>2</sup>  
➤ up 12%

**A\$2,198m**

EBITDA<sup>2</sup>  
➤ up 2%

**A\$505m**

## Regional Mobile

Customers<sup>3</sup>  
➤ up 33%

**262m**

Earnings<sup>4</sup>  
➤ up 12%

**S\$624m**

1. Excludes Group and International Business net corporate costs
2. In A\$ terms
3. Group mobile subscribers, including SingTel, Optus and Regional Mobile associates
4. Based on the Group's share of Regional Mobile associates earnings before tax and exceptionals

# Singapore



# Leading & shaping the telco market

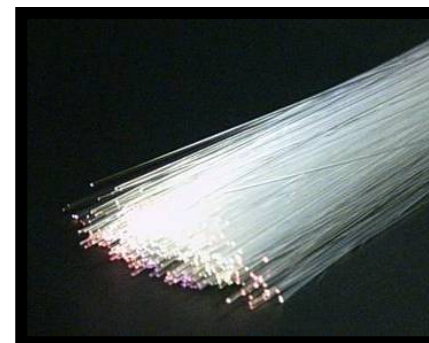
## Mobile - entrench position as market leader

- Maintain strong leadership – market share increased to 45.9%<sup>1</sup>
- Drive non-voice usage and grow wireless broadband customers
- Invest to expand & enhance mobile network



## Fixed - opportunities in Next Generation Broadband Network

- Part of OpenNet consortium selected as the NetCo
- Monetising investment in passive assets
- Opportunity to leverage high speed fibre network to deliver higher value services

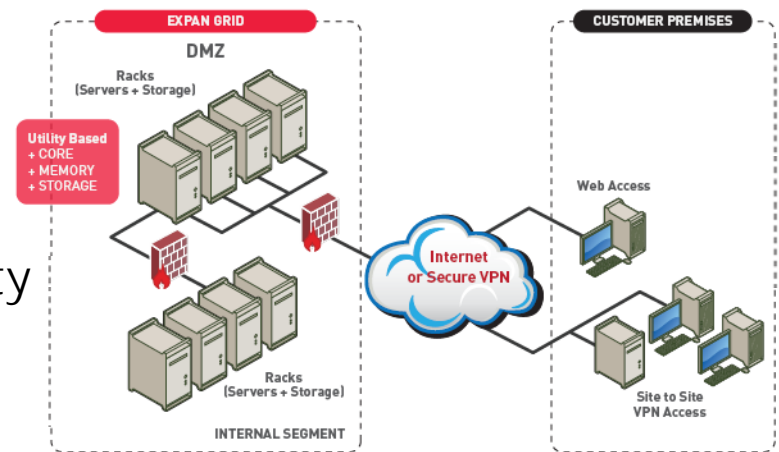


1. As at 30 Jun 09 (30 Jun 08: 44.7%)

# Moving beyond carriage – Delivering integrated services

## Corporate - capture opportunities through ICT-Telco convergence

- Provide fully-managed end-to-end communications & IT services
- SCS acquisition enhances SingTel's ability to address corporates' total ICT needs
- #1 in the region for international IP VPN solutions<sup>1</sup>



## Consumer - redefining home communications & entertainment

- mio bundles – drive customer stickiness and usage
- mioTV – delivers groundbreaking content
- New multimedia initiatives – interactive content via multiple platforms



1. Based on IDC's Asia Pacific Semi-annual Fixed-Line Telecom Series Tracker, Second Half 2008 Report

# Optus





# Optus: Grow mobile core

## Mobile: Renewed momentum in customer growth (+764,000 customers<sup>1</sup>)

- Grow postpaid market share through mobile caps and unlimited plans
- Strengthen prepaid leadership
- Scale up wireless broadband base
- Develop new revenue streams

## Extend mobile coverage

- 3G HSPA network covers 96% population at Dec 08
- Expanding to 98% coverage; targeting to exceed 97% by Mar 2010



1. Customer additions Jun 09 vs Jun 08 (Jun 08 vs Jun 07: 436,000)

# Optus: Drive profitable growth in fixed line

- Exit unprofitable off-net products and develop innovative on-net products
- Leverage IP and convergence to grow Optus business
- D3 satellite launched in Aug 09
- Clarity on govt NBN plans
  - 100Mbps FTTP network to cover 90% of Australia
  - Gov't and privately owned, wholesale-only network
  - Estimated cost of A\$43 billion over 8 years



**Speed-up for national network**

Avalanche of telecoms submissions

**NBN kick-started**

**Broadband details emerge**

**Pressure to split Telstra**

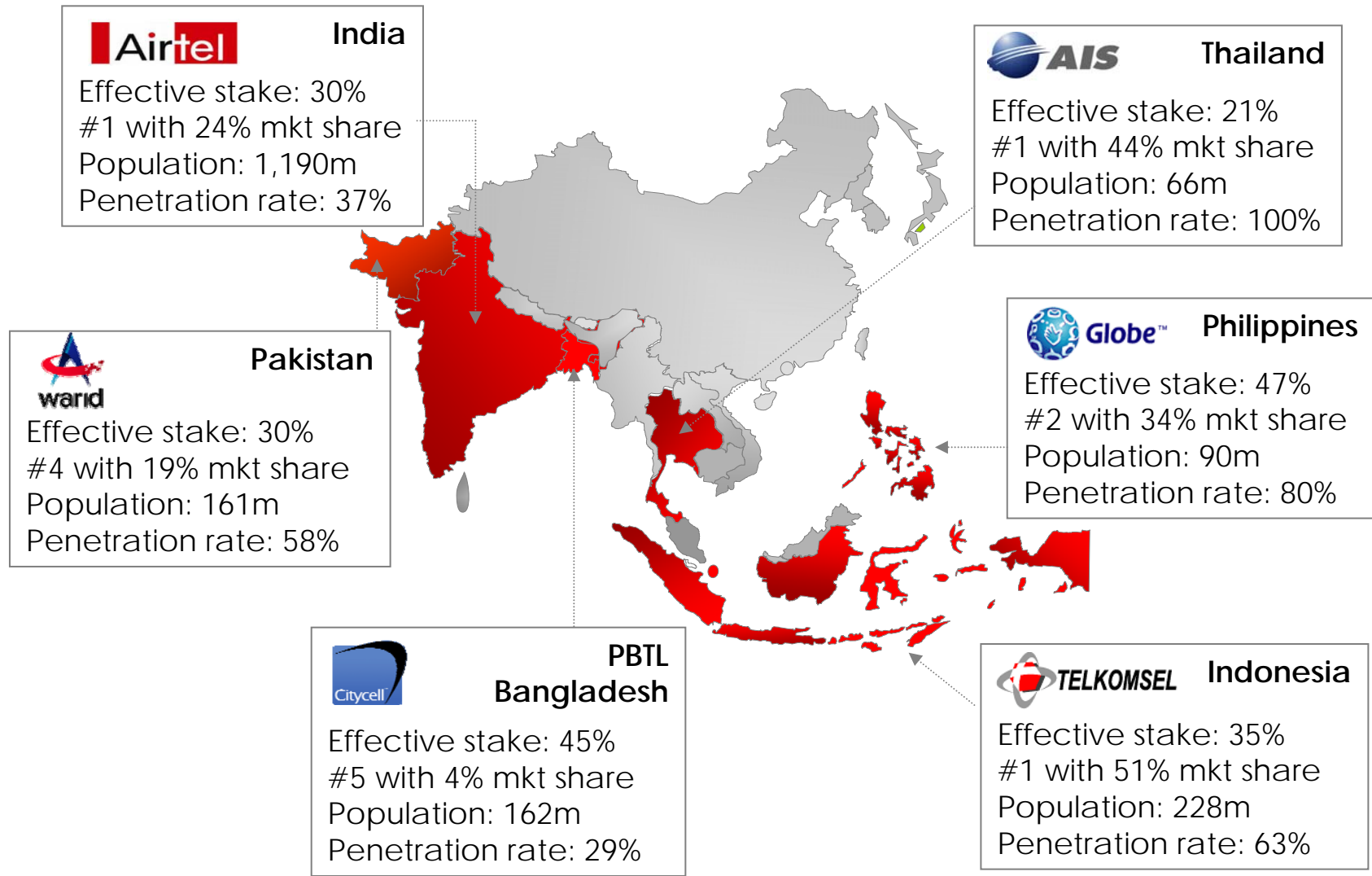
**Rivals press for retail-wholesale separation**

- Paves the way for regulatory reform
- Opens up significant opportunities in fixed line market
- Regional backhaul initiatives will benefit Optus mobile

# Associates and joint ventures



# Regional Mobile: world's fastest growing mobile markets



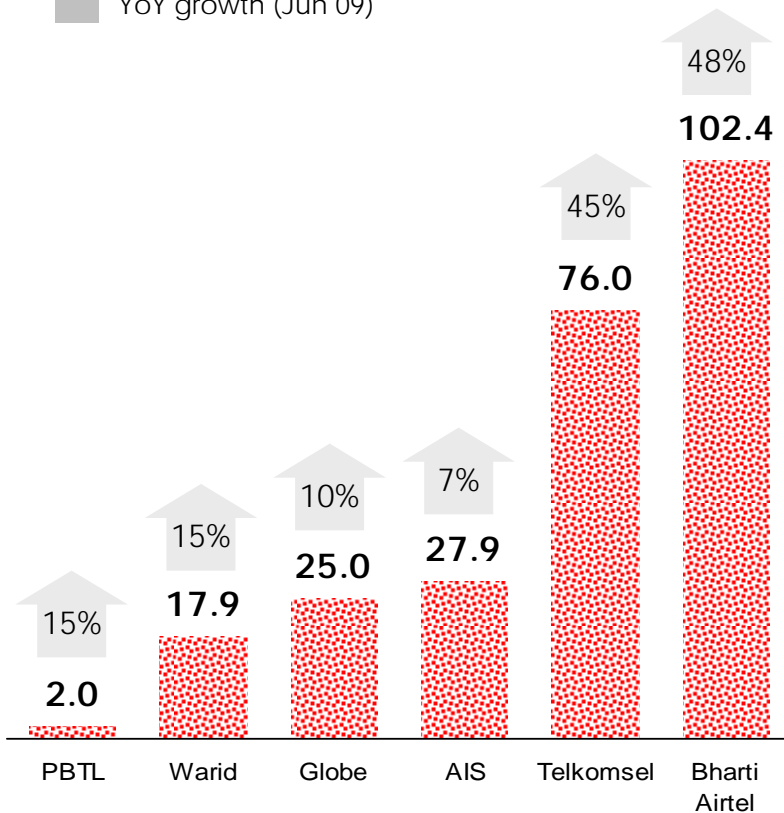
# Regional Mobile: generating steady cash flows

Group mobile customers<sup>1</sup>

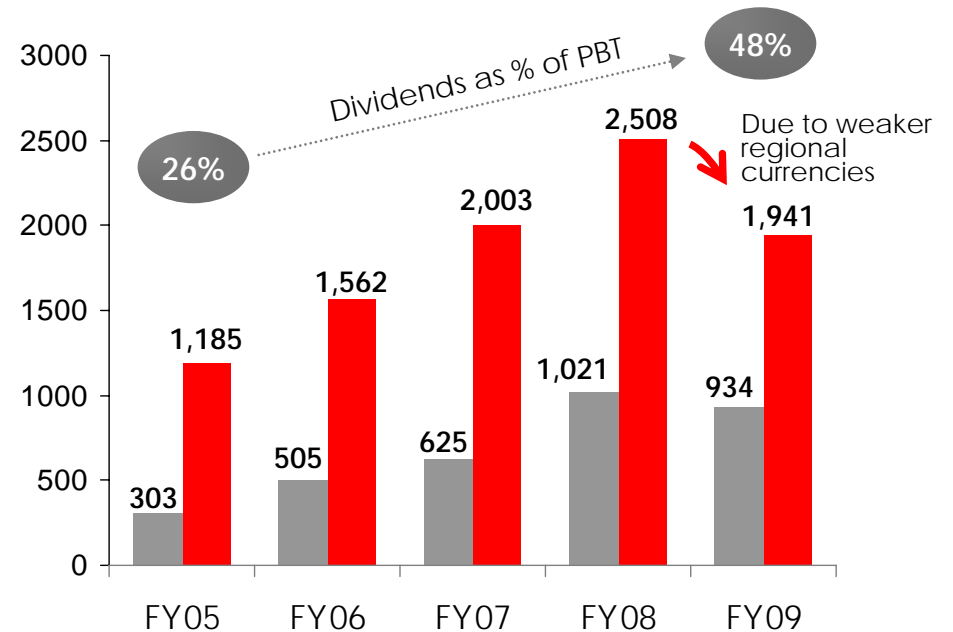
262m

5-year cumulative dividends<sup>2</sup> \$3.4bn

Customers as at 30 Jun 09 (millions)  
YoY growth (Jun 09)



SingTel's share of Regional Mobile Associates Profit before Tax and EI (\$m)  
Dividends received from Regional Mobile Associates



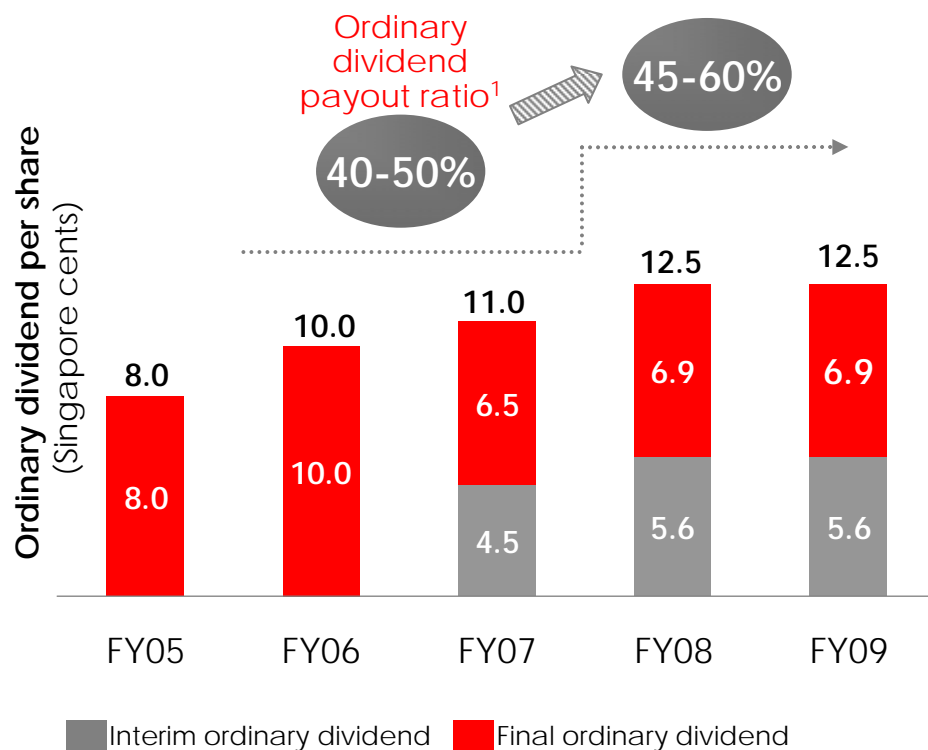
- Group mobile customers, including SingTel, Optus and Regional Mobile Associates
- Dividends received from Regional Mobile Associates

# Financial position & Outlook

# Strong financial position & attractive dividend payout

Steady increase in dividend per share despite investments

Healthy free cash flow & Strong financial position



Group free cash flow <sup>2</sup> **\$572m**

Net debt <sup>2</sup> **\$6.3bn**

Net gearing <sup>2</sup> **22%**

Net debt: EBITDA <sup>2</sup> **0.9x**

EBITDA: net interest expense <sup>2</sup> **24x**

Standard & Poor's

**A+**

Moody's

**Aa2**

1. Based on underlying profits  
2. As at quarter ending 30 Jun 2009

# FY10 Outlook

Singapore

Revenue

**Grow at single-digit level**

EBITDA

**EBITDA stable & margin at 36-38%**

Optus

Revenue

**Grow at low single-digit level**

EBITDA

**EBITDA to grow at low single-digit level**

Regional  
mobile

Earnings

**Bharti & Telkomsel earnings to grow in local  
currency terms**





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