



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
ASX APPENDIX 4D – HALF YEAR REPORT
FOR THE SECOND QUARTER AND HALF YEAR ENDED
30 SEPTEMBER 2010**

<u>Contents</u>	<u>Page</u>
Results for announcement to the market (Appendix 4D)	1
Consolidated income statement	2
Consolidated statement of comprehensive income	3
Statements of financial position (Group and Company)	4
Statements of changes in equity (Group and Company)	5
Consolidated statement of cash flows	13
Selected notes to the interim financial statements	16
Dividends	22
Group segment information.....	26
Other information	29
Associated companies of the Group	30
Joint venture companies of the Group	30
Confirmation by the Board	32
Independent Auditors' review opinion	33

RESULTS FOR ANNOUNCEMENT TO THE MARKET (APPENDIX 4D)*For the half year ended 30 September 2010*

Group	Half Year 30 Sep		Percentage change
	2010 S\$ Mil	2009 S\$ Mil	
Revenue from ordinary activities	8,724.5	7,950.5	9.7%
Profit from ordinary activities after taxation attributable to shareholders	1,835.4	1,901.4	-3.5%
Net profit attributable to shareholders	1,835.4	1,901.4	-3.5%
Net tangible assets per ordinary share ⁽¹⁾	84.82¢	76.14¢	11.4%

Group	Amount per security (SGD cents)	Franked amount per security (SGD cents)
Dividend per share		
- final	Nil	Not applicable
- interim	6.8¢ ⁽²⁾	Nil ⁽³⁾

Record date for determining entitlements to dividends

To be announced later

Notes:

- (1) As at 30 September 2010, the number of ordinary shares was 15,926,531,548 after adjustment to exclude the number of performance shares held by the Trust.
- (2) The interim dividend of SGD 6.8 cents per security received by Singapore tax residents will be tax exempt for Singapore income tax purposes (being a one-tier exempt dividend).
- (3) For Australian resident individual shareholders, the interim dividend of SGD 6.8 cents per security will be assessable and, therefore, subject to tax in Australia. Australian resident individual shareholders cannot claim a tax rebate or credit in their Australian income tax return for corporate income tax paid in Singapore.

Important Notes:

This half year report should be read in conjunction with the audited annual report for the financial year ended 31 March 2010 and announcements to the market during the six months ended 30 September 2010.

The figures presented in this announcement have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the second quarter and half year ended 30 September 2010

	Notes	Quarter 30 Sep		Half Year 30 Sep	
		2010 S\$ Mil	2009 S\$ Mil	2010 S\$ Mil	2009 S\$ Mil
Operating revenue		4,435.5	4,102.8	8,724.5	7,950.5
Operating expenses		(3,273.0)	(2,973.8)	(6,331.0)	(5,718.5)
Other income	2	25.6	20.3	50.0	45.7
		1,188.1	1,149.3	2,443.5	2,277.7
Depreciation and amortisation	3	(481.1)	(463.6)	(965.4)	(905.5)
		707.0	685.7	1,478.1	1,372.2
Exceptional items	4	1.1	4.1	1.4	4.4
Profit on operating activities		708.1	689.8	1,479.5	1,376.6
Associated and joint venture companies					
- share of ordinary results		566.6	606.4	1,117.4	1,252.9
- share of exceptional items	5	-	-	(9.6)	-
- share of tax		(155.2)	(140.0)	(287.6)	(289.4)
	12	411.4	466.4	820.2	963.5
Profit before interest, investment income (net) and tax		1,119.5	1,156.2	2,299.7	2,340.1
Interest and investment income/ (expense) (net)	6	(0.7)	0.7	8.9	(7.4)
Finance costs	7	(87.1)	(69.7)	(175.4)	(145.1)
Profit before tax		1,031.7	1,087.2	2,133.2	2,187.6
Tax expense	8	(140.5)	(131.2)	(299.9)	(286.0)
Profit after tax		891.2	956.0	1,833.3	1,901.6
Attributable to:					
Shareholders of the Company		892.2	956.0	1,835.4	1,901.4
Non-controlling interests		(1.0)	-	(2.1)	0.2
		891.2	956.0	1,833.3	1,901.6
Earnings per share attributable to shareholders of the Company					
- basic	10	5.60¢	6.00¢	11.52¢	11.95¢
- diluted	10	5.59¢	5.98¢	11.50¢	11.91¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)*For the second quarter and half year ended 30 September 2010*

	Quarter		Half Year	
	30 Sep		30 Sep	
	2010	2009	2010	2009
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Profit after tax	891.2	956.0	1,833.3	1,901.6
Other comprehensive income/ (loss)				
Exchange differences arising from translation of foreign operations and other currency translation differences	175.5	267.9	(470.1)	899.8
Cash flow hedges				
- Fair value changes during the period	(264.7)	(125.2)	55.3	(305.5)
- Tax effects	28.2	12.3	(77.2)	44.5
	(236.5)	(112.9)	(21.9)	(261.0)
- Fair value changes transferred to income statement	232.9	117.5	(89.1)	340.6
- Tax effects	(23.5)	(15.0)	75.3	(40.5)
	209.4	102.5	(13.8)	300.1
	(27.1)	(10.4)	(35.7)	39.1
Fair value changes on AFS investments during the period	21.2	(1.3)	27.4	17.2
Share of other comprehensive income of associated and joint venture companies	167.7	2.3	131.9	8.3
Other comprehensive income/ (loss), net of tax	337.3	258.5	(346.5)	964.4
Total comprehensive income	1,228.5	1,214.5	1,486.8	2,866.0
Attributable to:				
Shareholders of the Company	1,229.6	1,214.5	1,488.9	2,865.8
Non-controlling interests	(1.1)	-	(2.1)	0.2
	1,228.5	1,214.5	1,486.8	2,866.0

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2010

	Notes	Group		Company	
		As at 30 Sep 10 S\$ Mil (Unaudited)	As at 31 Mar 10 S\$ Mil (Audited)	As at 30 Sep 10 S\$ Mil (Unaudited)	As at 31 Mar 10 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		2,095.5	1,613.6	189.3	201.3
Trade and other receivables		3,515.7	3,172.1	779.8	710.0
Due from subsidiaries		-	-	2,089.3	2,742.5
Derivative financial instruments		18.4	12.8	8.0	12.8
Inventories		373.1	345.8	130.4	151.8
		6,002.7	5,144.3	3,196.8	3,818.4
Non-current assets					
Property, plant and equipment		10,491.5	10,750.2	1,835.8	1,891.8
Intangible assets		10,182.8	10,200.2	2.2	2.3
Subsidiaries		-	-	9,994.0	9,942.3
Associated companies		214.4	278.8	24.7	24.7
Joint venture companies		9,839.0	10,132.7	34.1	34.1
Available-for-sale ("AFS") investments		283.2	255.8	37.6	31.1
Derivative financial instruments		125.8	175.6	139.9	182.7
Deferred tax assets		767.2	890.3	-	-
Other non-current receivables		129.2	123.6	242.4	158.5
		32,033.1	32,807.2	12,310.7	12,267.5
Total assets		38,035.8	37,951.5	15,507.5	16,085.9
Current liabilities					
Trade and other payables		4,498.6	4,667.7	1,525.6	1,476.5
Due to subsidiaries		-	-	836.7	523.1
Current tax liabilities		370.2	338.9	259.0	214.0
Borrowings (unsecured)	11	14.6	1,513.1	-	-
Borrowings (secured)	11	43.1	14.9	-	-
Derivative financial instruments		72.5	300.2	51.3	14.4
		4,999.0	6,834.8	2,672.6	2,228.0
Non-current liabilities					
Borrowings (unsecured)	11	7,052.7	5,327.9	3,679.0	3,809.1
Borrowings (secured)	11	19.5	23.2	-	-
Advance billings		671.1	628.6	161.1	157.8
Deferred income		25.2	29.4	3.2	10.7
Derivative financial instruments		1,064.9	941.1	1,023.9	899.9
Deferred tax liabilities		302.3	294.8	184.4	182.8
Other non-current liabilities		188.8	355.7	11.3	155.8
		9,324.5	7,600.7	5,062.9	5,216.1
Total liabilities		14,323.5	14,435.5	7,735.5	7,444.1
Net assets		23,712.3	23,516.0	7,772.0	8,641.8
Share capital and reserves					
Share capital	13	2,621.4	2,616.3	2,621.4	2,616.3
Reserves		21,067.5	20,876.5	5,150.6	6,025.5
Equity attributable to shareholders of the Company		23,688.9	23,492.8	7,772.0	8,641.8
Non-controlling interests		23.4	23.2	-	-
Total equity		23,712.3	23,516.0	7,772.0	8,641.8

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the second quarter ended 30 September 2010

Group - 2010	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 - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾⁽³⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽⁴⁾ S\$ Mil	Total S\$ Mil			
Balance as at 1 July 2010	2,621.0	(10.9)	(121.4)	(1,343.6)	(200.9)	27.8	24,025.0	(1,258.7)	23,738.3	24.5	23,762.8	
Changes in equity for the quarter												
Issue of new shares	0.4	-	-	-	-	-	-	-	0.4	-	0.4	
Performance shares purchased by Trust ⁽⁵⁾	-	(14.6)	-	-	-	-	-	-	(14.6)	-	(14.6)	
Performance shares vested	-	0.3	(0.3)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	6.9	-	-	-	-	-	6.9	-	6.9	
Transfer of liability to equity	-	-	2.0	-	-	-	-	-	2.0	-	2.0	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.4)	0.4	-	-	-	
Final dividend paid	-	-	-	-	-	-	(1,273.7)	-	(1,273.7)	-	(1,273.7)	
	0.4	(14.3)	8.6	-	-	-	(1,274.1)	0.4	(1,279.0)	-	(1,279.0)	
Total comprehensive income/ (loss) for the quarter	-	-	-	269.4	(27.1)	21.2	892.2	73.9	1,229.6	(1.1)	1,228.5	
Balance as at 30 September 2010	2,621.4	(25.2)	(112.8)	(1,074.2)	(228.0)	49.0	23,643.1	(1,184.4)	23,688.9	23.4	23,712.3	

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2010*

Group - 2009	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 - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽⁴⁾ S\$ Mil	Total S\$ Mil			
Balance as at 1 July 2009	2,606.8	(17.6)	(101.2)	(1,146.8)	(195.6)	(42.3)	22,204.8	(1,221.9)	22,086.2	24.9	22,111.1	
Changes in equity for the quarter												
Issue of new shares	3.2	-	-	-	-	-	-	-	3.2	-	3.2	
Performance shares purchased by Trust ⁽⁵⁾	-	(3.4)	-	-	-	-	-	-	(3.4)	-	(3.4)	
Equity-settled performance shares	-	-	5.8	-	-	-	-	-	5.8	-	5.8	
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.6)	0.6	-	-	-	
Final dividend paid	-	-	-	-	-	-	(1,097.0)	-	(1,097.0)	-	(1,097.0)	
	3.2	(3.4)	5.5	-	-	-	(1,097.6)	0.6	(1,091.7)	-	(1,091.7)	
Total comprehensive income/ (loss) for the quarter	-	-	-	267.9	(10.4)	(1.3)	956.0	2.3	1,214.5	-	1,214.5	
Balance as at 30 September 2009	2,610.0	(21.0)	(95.7)	(878.9)	(206.0)	(43.6)	22,063.2	(1,219.0)	22,209.0	24.9	22,233.9	

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2010*

Company - 2010	Share Capital S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2010	2,621.0	(64.6)	(190.3)	22.1	6,545.1	8,933.3
Changes in equity for the quarter						
Issue of new shares	0.4	-	-	-	-	0.4
Equity-settled performance shares	-	3.5	-	-	-	3.5
Transfer of liability to equity	-	2.0	-	-	-	2.0
Contribution to Trust ⁽⁵⁾	-	(10.4)	-	-	-	(10.4)
Final dividend paid	-	-	-	-	(1,274.3)	(1,274.3)
	0.4	(4.9)	-	-	(1,274.3)	(1,278.8)
Total comprehensive (loss)/ income for the quarter	-	-	(13.0)	5.9	124.6	117.5
Balance as at 30 September 2010	2,621.4	(69.5)	(203.3)	28.0	5,395.4	7,772.0

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the second quarter ended 30 September 2010

Company - 2009	Share Capital S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2009	2,606.8	(58.5)	(171.9)	17.5	7,310.2	9,704.1
Changes in equity for the quarter						
Issue of new shares	3.2	-	-	-	-	3.2
Performance shares vested	-	(0.5)	-	-	-	(0.5)
Equity-settled performance shares	-	3.7	-	-	-	3.7
Cash paid to employees under performance share plans	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	(2.2)	-	-	-	(2.2)
Final dividend paid	-	-	-	-	(1,097.4)	(1,097.4)
	3.2	0.7	-	-	(1,097.4)	(1,093.5)
Total comprehensive (loss)/ income for the quarter	-	-	(15.3)	3.5	664.7	652.9
Balance as at 30 September 2009	2,610.0	(57.8)	(187.2)	21.0	6,877.5	9,263.5

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' relate mainly to the translation of the net assets of foreign subsidiaries, associated and joint venture companies of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation losses of S\$433 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 30 September 2010 (as at 30 September 2009: S\$362 million).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) RBC Dexia Trust Services Singapore Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the half year ended 30 September 2010

Group - 2010	Attributable to shareholders of the Company										
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾⁽³⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽⁴⁾ S\$ Mil	Total S\$ Mil	Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2010	2,616.3	(30.5)	(83.3)	(697.9)	(192.3)	21.6	23,082.1	(1,223.2)	23,492.8	23.2	23,516.0
Changes in equity for the period											
Issue of new shares	5.1	-	-	-	-	-	-	-	5.1	-	5.1
Performance shares purchased by the Company	-	(5.4)	-	-	-	-	-	-	(5.4)	-	(5.4)
Performance shares purchased by Trust ⁽⁵⁾	-	(19.4)	-	-	-	-	-	-	(19.4)	-	(19.4)
Performance shares vested	-	30.1	(30.1)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	12.0	-	-	-	-	-	12.0	-	12.0
Transfer of liability to equity	-	-	2.3	-	-	-	-	-	2.3	-	2.3
Cash paid to employees under performance share plans	-	-	(1.7)	-	-	-	-	-	(1.7)	-	(1.7)
Performance shares purchased by SingTel Optus Pty Limited ("Optus") and vested	-	-	(12.0)	-	-	-	-	-	(12.0)	-	(12.0)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.7)	0.7	-	-	-
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.3	2.3
Final dividend paid	-	-	-	-	-	-	(1,273.7)	-	(1,273.7)	-	(1,273.7)
	5.1	5.3	(29.5)	-	-	-	(1,274.4)	0.7	(1,292.8)	2.3	(1,290.5)
Total comprehensive (loss)/ income for the period	-	-	-	(376.3)	(35.7)	27.4	1,835.4	38.1	1,488.9	(2.1)	1,486.8
Balance as at 30 September 2010	2,621.4	(25.2)	(112.8)	(1,074.2)	(228.0)	49.0	23,643.1	(1,184.4)	23,688.9	23.4	23,712.3

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2010*

Group - 2009	Attributable to shareholders of the Company										
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve -	Currency	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽⁴⁾ S\$ Mil	Total S\$ Mil	Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
			Performance Shares S\$ Mil	Translation Reserve ⁽²⁾ S\$ Mil							
Balance as at 1 April 2009	2,605.6	(43.7)	(32.6)	(1,778.7)	(245.1)	(60.8)	21,259.6	(1,228.1)	20,476.2	24.1	20,500.3
Changes in equity for the period											
Issue of new shares	4.4	-	-	-	-	-	-	-	4.4	-	4.4
Performance shares purchased by the Company	-	(10.8)	-	-	-	-	-	-	(10.8)	-	(10.8)
Performance shares purchased by Trust ⁽⁵⁾	-	(31.9)	-	-	-	-	-	-	(31.9)	-	(31.9)
Performance shares vested	-	65.4	(65.4)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	11.9	-	-	-	-	-	11.9	-	11.9
Transfer of liability to equity	-	-	2.3	-	-	-	-	-	2.3	-	2.3
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)
Performance shares purchased by Optus and vested	-	-	(11.6)	-	-	-	-	-	(11.6)	-	(11.6)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.8)	0.8	-	-	-
Final dividend paid	-	-	-	-	-	-	(1,097.0)	-	(1,097.0)	-	(1,097.0)
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	0.6	0.6
	4.4	22.7	(63.1)	-	-	-	(1,097.8)	0.8	(1,133.0)	0.6	(1,132.4)
Total comprehensive income for the period	-	-	-	899.8	39.1	17.2	1,901.4	8.3	2,865.8	0.2	2,866.0
Balance as at 30 September 2009	2,610.0	(21.0)	(95.7)	(878.9)	(206.0)	(43.6)	22,063.2	(1,219.0)	22,209.0	24.9	22,233.9

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2010*

Company - 2010	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2010	2,616.3	-	(58.8)	(167.2)	21.5	6,230.0	8,641.8
Changes in equity for the period							
Issue of new shares	5.1	-	-	-	-	-	5.1
Performance shares purchased by the Company	-	(5.4)	-	-	-	-	(5.4)
Performance shares vested	-	5.4	(3.2)	-	-	-	2.2
Equity-settled performance shares	-	-	5.6	-	-	-	5.6
Transfer of liability to equity	-	-	2.3	-	-	-	2.3
Cash paid to employees under performance share plans	-	-	(1.6)	-	-	-	(1.6)
Contribution to Trust ⁽⁵⁾	-	-	(13.8)	-	-	-	(13.8)
Final dividend paid	-	-	-	-	-	(1,274.3)	(1,274.3)
	5.1	-	(10.7)	-	-	(1,274.3)	(1,279.9)
Total comprehensive (loss)/ income for the period	-	-	-	(36.1)	6.5	439.7	410.1
Balance as at 30 September 2010	2,621.4	-	(69.5)	(203.3)	28.0	5,395.4	7,772.0

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2010*

Company - 2009	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2009	2,605.6	-	(38.9)	(237.9)	15.0	7,212.0	9,555.8
Changes in equity for the period							
Issue of new shares	4.4	-	-	-	-	-	4.4
Performance shares purchased by the Company	-	(10.8)	-	-	-	-	(10.8)
Performance shares vested	-	10.8	(7.0)	-	-	-	3.8
Equity-settled performance shares	-	-	6.7	-	-	-	6.7
Transfer of liability to equity	-	-	2.3	-	-	-	2.3
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	-	(20.6)	-	-	-	(20.6)
Final dividend paid	-	-	-	-	-	(1,097.4)	(1,097.4)
	4.4	-	(18.9)	-	-	(1,097.4)	(1,111.9)
Total comprehensive income for the period	-	-	-	50.7	6.0	762.9	819.6
Balance as at 30 September 2009	2,610.0	-	(57.8)	(187.2)	21.0	6,877.5	9,263.5

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with Singapore FRS 32, *Financial Instruments: Disclosure and Presentation*.
- (2) 'Currency Translation Reserve' relate mainly to the translation of the net assets of foreign subsidiaries, associated and joint venture companies of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation losses of S\$433 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 30 September 2010 (as at 30 September 2009: S\$362 million).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) RBC Dexia Trust Services Singapore Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)*For the second quarter and half year ended 30 September 2010*

	Quarter 30 Sep		Half Year 30 Sep	
	2010 S\$ Mil	2009 S\$ Mil	2010 S\$ Mil	2009 S\$ Mil
Cash Flows from Operating Activities				
Profit before tax	1,031.7	1,087.2	2,133.2	2,187.6
Adjustments for				
Depreciation and amortisation	481.1	463.6	965.4	905.5
Exceptional items	(1.1)	(4.1)	(1.4)	(4.4)
Interest and investment (income)/ expense (net)	0.7	(0.7)	(8.9)	7.4
Finance costs	87.1	69.7	175.4	145.1
Share of results of associated and joint venture companies (post-tax)	(411.4)	(466.4)	(820.2)	(963.5)
Other non-cash items	9.8	7.4	15.5	16.7
	166.2	69.5	325.8	106.8
Operating cash flow before working capital changes	1,197.9	1,156.7	2,459.0	2,294.4
Changes in operating assets and liabilities				
Trade and other receivables	(51.2)	(35.0)	(128.9)	(169.1)
Trade and other payables	89.8	(22.2)	(8.2)	20.7
Inventories	29.2	18.9	(30.6)	(110.7)
Currency translation adjustments of subsidiaries	(3.6)	2.4	*	9.4
Cash generated from operations	1,262.1	1,120.8	2,291.3	2,044.7
Payment to employees in cash under performance share plans	(1.0)	(0.8)	(4.0)	(2.2)
Dividends received from associated and joint venture companies	483.3	598.4	710.9	688.9
Income tax and withholding tax paid	(153.7)	(166.7)	(144.9)	(182.8)
Net cash inflow from operating activities	1,590.7	1,551.7	2,853.3	2,548.6
Cash Flows from Investing Activities				
Dividends received from AFS investments	14.8	14.8	16.0	15.6
Interest received	6.3	4.3	10.9	7.1
Long term loans repaid by joint venture companies	-	-	1.4	-
Contribution from non-controlling interests	-	-	2.3	0.6
Investment in associated and joint venture companies	-	-	(31.6)	(3.7)
Net sale proceeds from other investments	-	10.0	-	10.2
Investment in AFS investments	(0.1)	-	(0.1)	(0.1)
Proceeds from sale of AFS investments	-	2.3	-	2.3
Balance carried forward	21.0	31.4	(1.1)	32.0

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)*For the second quarter and half year ended 30 September 2010*

	Quarter 30 Sep		Half Year 30 Sep	
	2010 S\$ Mil	2009 S\$ Mil	2010 S\$ Mil	2009 S\$ Mil
Cash Flows from Investing Activities (continued)				
Balance brought forward	21.0	31.4	(1.1)	32.0
Payment for purchase of property, plant and equipment	(494.8)	(458.0)	(981.1)	(882.8)
Advance payment for purchase of submarine cable capacity	(27.9)	(29.1)	(27.9)	(29.1)
Drawdown of prepaid submarine cable capacity	-	-	18.0	33.2
Proceeds from sale of property, plant and equipment	2.6	14.4	3.1	15.4
Purchase of intangible assets	(0.2)	(0.7)	(0.5)	(2.8)
Withholding tax paid on intra-group interest income	(0.7)	(0.5)	(1.4)	(1.1)
Net cash outflow for investing activities	(500.0)	(442.5)	(990.9)	(835.2)
Cash Flows from Financing Activities				
Proceeds from term loans	0.6	1,730.0	638.0	2,370.7
Repayment of term loans	(684.2)	(1,602.5)	(1,734.5)	(2,061.2)
Proceeds from bond issue	1,215.9	-	1,997.1	-
Repayment of bonds	(4.1)	(3.6)	(564.1)	(618.0)
Finance lease payments	(4.2)	(2.5)	(8.3)	(4.3)
Net proceeds from/ (Repayment of) borrowings	524.0	121.4	328.2	(312.8)
Settlement of swap for bonds repaid	-	-	(217.6)	-
Net interest paid on borrowings and swaps	(33.0)	(27.9)	(155.4)	(154.3)
Purchase of performance shares	(14.6)	(3.4)	(37.3)	(54.8)
Final dividends paid to shareholders of the Company	(1,273.7)	(1,097.0)	(1,273.7)	(1,097.0)
Loan proceeds from non-controlling interests	-	5.4	-	5.4
Repayment of loans to non-controlling interests	-	-	(25.1)	-
Proceeds from issue of shares	0.4	3.2	5.1	4.4
Net cash outflow for financing activities	(796.9)	(998.3)	(1,375.8)	(1,609.1)
Net change in cash and cash equivalents	293.8	110.9	486.6	104.3
Exchange effects on cash and cash equivalents	21.5	11.3	(4.7)	27.9
Cash and cash equivalents at beginning of period	1,780.1	1,085.8	1,613.5	1,075.8
Cash and cash equivalents at end of period	2,095.4	1,208.0	2,095.4	1,208.0

^(**) denotes amount less than S\$0.05 million

NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the second quarter and half year ended 30 September 2010*

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise:

	As at 30 Sep	
	2010	2009
	S\$ Mil	S\$ Mil
Fixed deposits	783.8	684.0
Cash and bank balances	1,311.7	524.2
<u>Less: Bank overdrafts</u>	<u>(0.1)</u>	<u>(0.2)</u>
	<u>2,095.4</u>	<u>1,208.0</u>

Bank overdrafts are classified as part of current unsecured borrowings in the consolidated statement of financial position.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2010

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 2010, except for the adoption of certain revised FRSs and Interpretations to FRSs (“INT FRS”) which became mandatory from 1 April 2010.

In particular, FRS 103 (revised) – **Business Combinations**, introduces changes to the accounting for business combinations, and FRS 27 (revised) – **Consolidated and Separate Financial Statements**, requires changes in the ownership interest of a subsidiary, while maintaining control, to be accounted for as an equity transaction. These changes will be applied prospectively for transactions after 1 April 2010.

The other new or revised FRS and INT FRS are not expected to result in substantial changes to the Group’s accounting policies.

2. OTHER INCOME

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Rental income	1.1	1.1	2.3	2.3
Bad trade debts recovered	4.1	0.7	5.6	1.7
Net exchange gain/ (loss) - trade related	5.0	(8.2)	0.1	(7.4)
Net gain/ (loss) on disposal of property, plant and equipment	0.6	0.9	0.4	(0.8)
Others	14.8	25.8	41.6	49.9
	25.6	20.3	50.0	45.7

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***3. DEPRECIATION AND AMORTISATION**

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	463.6	448.8	928.7	878.0
Amortisation of intangibles	20.9	15.9	41.4	29.9
Amortisation of sale and leaseback income	(2.7)	(0.4)	(3.2)	(0.9)
Amortisation of deferred gain on sale of joint venture company	(0.7)	(0.7)	(1.5)	(1.5)
	481.1	463.6	965.4	905.5

4. EXCEPTIONAL ITEMS

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Exceptional gains				
Gain on disposal of AFS investment	-	2.3	-	2.3
Gain on dilution of interest in associated and joint venture companies	1.1	1.8	1.4	2.1
	1.1	4.1	1.4	4.4

5. SHARE OF EXCEPTIONAL ITEMS OF ASSOCIATED AND JOINT VENTURE COMPANIES

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Transaction costs on acquisitions	-	-	(9.6)	-

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2010

6. INTEREST AND INVESTMENT INCOME/ (EXPENSE) (NET)

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Interest income from				
- bank deposits	6.1	3.5	10.4	6.1
- other investments	-	0.1	-	0.2
- others	0.2	0.6	0.3	0.7
	6.3	4.2	10.7	7.0
Gross dividends from AFS investments	16.9	16.7	18.0	17.6
Fair value losses on hedging instruments	(2.7)	(13.7)	(10.7)	(13.7)
Fair value gains/ (losses) on other investments	-	(0.3)	0.2	(0.2)
Fair value gains/ (losses) on fair value hedges				
- hedged item	189.6	96.3	104.1	472.6
- hedged instrument	(189.6)	(96.3)	(104.1)	(472.6)
	-	-	-	-
Net exchange losses	(21.2)	(6.2)	(9.3)	(18.1)
	(0.7)	0.7	8.9	(7.4)

7. FINANCE COSTS

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Interest expense on				
- bonds	78.9	69.9	161.7	145.4
- bank loans	13.6	14.4	23.6	25.8
- others	3.7	2.7	7.1	5.3
	96.2	87.0	192.4	176.5
Less: Amounts capitalised	-	(4.7)	-	(5.9)
	96.2	82.3	192.4	170.6
Effects of hedging using interest rate swaps	(10.4)	(13.9)	(19.6)	(28.0)
Unwinding of discounts (including adjustments)	1.3	1.3	2.6	2.5
	87.1	69.7	175.4	145.1

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***8. TAX EXPENSE**

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	168.5	161.2	339.2	342.7
Recognition of deferred tax assets on other temporary differences ⁽¹⁾	(30.5)	(30.0)	(60.5)	(58.0)
Current and deferred tax adjustments in respect of prior years	2.5	-	21.2	1.3
	140.5	131.2	299.9	286.0

Note:

(1) This relates to deferred tax asset recognised on interest expense arising from inter-company loans.

9. OTHER INCOME STATEMENT ITEMS

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2009 S\$ Mil (Unaudited)
Impairment of trade receivables	23.3	34.0	68.0	68.1
Allowance for inventory obsolescence	3.0	2.7	3.6	3.8
Bad trade receivables written off	-	-	-	2.4

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES**

Group	Quarter 30 Sep		Half year 30 Sep	
	2010 '000 (Unaudited)	2009 '000 (Unaudited)	2010 '000 (Unaudited)	2009 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,927,457	15,922,182	15,925,396	15,914,933
Adjustment for dilutive effect of share options	5,007	7,793	5,268	7,418
Adjustment for dilutive effect of SingTel Performance Share Plan	27,179	42,372	27,179	42,372
Weighted average number of ordinary shares for calculation of diluted earnings per share	<u>15,959,643</u>	<u>15,972,347</u>	<u>15,957,843</u>	<u>15,964,723</u>

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

11. GROUP'S BORROWINGS AND DEBT SECURITIES

Group	As at	
	30 Sep 10 S\$ Mil (Unaudited)	31 Mar 10 S\$ Mil (Audited)
Unsecured borrowings		
Repayable within one year	14.6	1,513.1
Repayable after one year	7,052.7	5,327.9
	<u>7,067.3</u>	<u>6,841.0</u>
Secured borrowings		
Repayable within one year	43.1	14.9
Repayable after one year	19.5	23.2
	<u>62.6</u>	<u>38.1</u>
	<u>7,129.9</u>	<u>6,879.1</u>

Secured borrowings comprised finance lease liabilities.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***12. DETAILS OF MATERIAL ASSOCIATED AND JOINT VENTURE COMPANIES****Contribution to net profit after tax**

	Equity interest as at		Quarter	
	30 Sep		30 Sep	
	2010	2009	2010	2009
	%	%	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Equity accounted associated and joint venture companies				
Bharti Airtel Limited	32.0	30.4	149.5	204.0
PT Telekomunikasi Selular	35.0	35.0	171.7	182.5
Globe Telecom, Inc.	47.3	47.3	33.9	37.0
Advanced Info Service Public Company Limited	21.3	21.3	46.3	36.4
Others			10.0	6.5
			411.4	466.4

Contribution to net profit after tax

	Equity interest as at		Half year	
	30 Sep		30 Sep	
	2010	2009	2010	2009
	%	%	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Equity accounted associated and joint venture companies				
Bharti Airtel Limited	32.0	30.4	313.6	435.4
PT Telekomunikasi Selular	35.0	35.0	335.8	358.8
Globe Telecom, Inc.	47.3	47.3	64.5	84.4
Advanced Info Service Public Company Limited	21.3	21.3	93.9	76.3
Others			12.4	8.6
			820.2	963.5

The details of associated and joint venture companies are set out in Note 24 and Note 25 to the financial report respectively.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***13. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

Group and Company	30 Sep 10	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at 1 July 2010	15,934.5	2,621.0
Issue of shares on exercise of share options	0.3	0.4
Balance as at 30 September 2010	15,934.8	2,621.4

(a) Changes to share capital

In the current quarter ended 30 September 2010, the Company issued 295,000 ordinary shares upon the exercise of 295,000 share options under the Singapore Telecom Share Option Scheme 1999 (at exercise prices of between S\$1.41 and S\$1.61 per share).

(b) Outstanding share options

The number of shares that may be issued on conversion of all the outstanding share options under the Singapore Telecom Share Option Scheme 1999 as at 30 September 2010 was 9,544,450 (30 September 2009: 16,604,050).

(c) Performance shares

The number of outstanding performance shares under the SingTel Performance Share Plan as at 30 September 2010 was 62,060,416 (30 September 2009: 57,274,768).

14. DIVIDENDS

On 10 November 2010, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2010/2009: 6.2 cents) per share totalling approximately S\$1.08 billion in respect of the financial year ending 31 March 2011.

The financial statements for the half year ended, and as at, 30 September 2010 do not reflect this interim dividend. The dividend will be accounted for in the shareholders' equity as an appropriation of Retained Earnings in the quarter ending 31 December 2010.

In the half year ended 30 September 2010, a final one-tier exempt ordinary dividend of 8.0 cents per share totalling S\$1.27 billion was paid in respect of the previous financial year ended 31 March 2010.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2010***15. NET ASSET VALUE**

	Group		Company	
	As at		As at	
	30 Sep 10 (Unaudited)	31 Mar 10 (Audited)	30 Sep 10 (Unaudited)	31 Mar 10 (Audited)
Net asset value per ordinary share	<u>148.74¢</u>	147.55¢	<u>48.77¢</u>	54.24¢

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.

16. CONTINGENT LIABILITIES**(a) Guarantees**

As at 30 September 2010,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$648.9 million and S\$406.7 million (31 March 2010: S\$687.6 million and S\$435.5 million) respectively.
- (ii) The Company provided guarantees for loans and bonds totalling S\$1.05 billion (31 March 2010: S\$1.28 billion) drawn down under various loan facilities entered into by SingTel Group Treasury Pte. Ltd. with maturity between September 2012 and April 2020.
- (iii) The Company provided a guarantee for US\$90 million (S\$118 million) (31 March 2010: US\$94 million) on a proportionate share basis in respect of a loan obtained by an associated company.

(b) Appeal against the decision by Komisi Pengawas Persaingan Usaha Republik Indonesia ("KPPU") (Republic of Indonesia Commission for Supervision of Business Competition) (the "Commission") and institution of class action suits

Singapore Telecommunications Limited ("**SingTel**") announced on 29 June 2007 that SingTel and its wholly-owned subsidiary, Singapore Telecom Mobile Pte Ltd ("**SingTel Mobile**"), had been called by the Commission to attend before it for an examination concerning the allegation of a violation by Temasek Business Group of Article 27(a)¹ of Law No.5 of 1999 (the "**Law**") relating to business competition matters.

¹ Article 27(a) relates to the ownership of majority shares in several similar companies conducting business activities in the same field in the same market.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2010

16. CONTINGENT LIABILITIES (Continued)**(b) Appeal against the decision by Komisi Pengawas Persaingan Usaha Republik Indonesia (“KPPU”) (Republic of Indonesia Commission for Supervision of Business Competition) (the “Commission”) and institution of class action suits (continued)**

On 20 November 2007, SingTel announced that the Commission had issued its decision (the “**Decision**”). The Decision states that SingTel and SingTel Mobile together with other parties to the proceedings (the “**Parties**”) are in violation of Article 27(a) of the Law and that PT Telekomunikasi Selular (“**Telkomsel**”) is in violation of Article 17(1)² of the Law.

The Decision orders, amongst other things, that (i) the Parties divest either Telkomsel or PT Indosat Tbk (“**Indosat**”) within two years, (ii) Telkomsel reduces tariffs by at least 15 per cent and (iii) each of the Parties and Telkomsel pay 25 billion rupiah (approximately S\$4 million) in fines.

SingTel and SingTel Mobile filed an appeal to the District Court of Central Jakarta on 19 December 2007. The District Court announced its ruling on 9 May 2008 dismissing SingTel’s and SingTel Mobile’s appeal, but (i) setting aside the order that Telkomsel reduce tariffs by at least 15 per cent; and (ii) reducing the fine for each of the Parties and Telkomsel to 15 billion rupiah (approximately S\$2 million). SingTel and SingTel Mobile appealed to the Supreme Court of the Republic of Indonesia on 22 May 2008.

By a written decision dated 9 September 2008, of which official notification was given to SingTel and SingTel Mobile on 25 November 2008, the Supreme Court dismissed the appeal.

On 20 May 2009, SingTel and SingTel Mobile filed an application to the Indonesian Supreme Court for civil review of the Supreme Court decision. To date, no official notification has been received by SingTel or SingTel Mobile in relation to this application. However, the Supreme Court website contains a statement that the application for civil review is dismissed.

On 9 June 2009, KPPU applied to the Central Jakarta District Court to enforce the Supreme Court Decision. This application is understood to be pending.

SingTel and SingTel Mobile will continue to take all necessary steps to protect their interests.

(c) Other commercial disputes

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.

² Article 17(1) relates to the control of the production and or marketing of goods and or services which may result in monopolistic practices and or unfair business competition.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2010

17. SIGNIFICANT DISPUTES AT JOINT VENTURE COMPANIES

- (a) In January 2008, TOT Public Company Limited and CAT Telecom Public Company Limited demanded additional payments of revenue share from Advanced Info Service Public Company Limited ("**AIS**") and its subsidiary, Digital Phone Company Limited ("**DPC**") respectively. The Group holds an equity interest of 21.3% in AIS Group.

AIS and DPC have stated that in their opinion, the amounts demanded are the same as the excise taxes that they have submitted to the Excise Department in prior years, according to the resolution of the Thai Cabinet dated 11 February 2003, and believe that the rulings of the Arbitration Panel shall have no impact to their financial statements. Both cases are in the arbitration process and it could take several years before an arbitral award is rendered.

- (b) Bharti Airtel Limited ("**Bharti**"), a 32.0% joint venture of the Group, has received demands amounting to Rs 2,289 million (SingTel's equity share: S\$22 million) for the imports of special software on the ground that this would form part of the hardware along with which the same has been imported. Bharti's view is that such imports should not be subject to any custom duty as it would be an operating software exempt from any custom duty. Bharti's management is of the view that the probability of the claims being successful is remote.

18. ASSOCIATED COMPANY- PROPOSED RESTRUCTURING OF LOAN FACILITIES AND OTHER MATTERS

Warid Telecom (Private) Limited ("**Warid**"), an associated company in which the Group has 30% equity interest, is currently in discussions with its lenders in relation to a proposed restructuring of its loan facilities. As at 30 September 2010, the outstanding principal under such loan facilities amounted to approximately US\$754 million, and was secured by a floating charge on Warid's assets. In addition, US\$90 million of the loan facilities was guaranteed by SingTel (see Note 16 (a)(iii)) and US\$512 million was secured by guarantees of the other shareholder group of Warid. Discussions are ongoing with certain existing lenders of Warid to defer certain principal loan repayments. Warid has also been served a winding-up petition by Huawei International Pte. Limited seeking payment of an outstanding payable of approximately US\$140 million. Both parties are working towards an amicable settlement of the matter.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2010

19. GROUP SEGMENT INFORMATION

Segment information is presented based on the information reviewed by the chief operating decision maker for performance measurement and resource allocation.

The Group's reportable segments are as follows -

Singapore – represent the services and products provided by SingTel and its subsidiaries (excluding Optus).

Australia – represent the services and products provided by Optus, a wholly-owned subsidiary of the Group domiciled in Australia.

Associates & Joint Ventures (“Assoc & JV”) – represent the Group's investments in associated and joint venture companies which mainly comprised AIS in Thailand, Bharti in India, Globe Telecom, Inc. (“Globe”) in the Philippines and Telkomsel in Indonesia.

The main services and products provided by both Singapore and Australia are mobile communications, data and Internet, national telephone, information technology and engineering, sale of equipment, international telephone and pay television.

Segment results represent operating revenue less expenses. Corporate costs represent the allocated costs of the Group function not allocated to the reportable operating segments.

Segment assets represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment and inventories. Corporate held-assets managed at corporate level include cash and bank balances, fixed deposits and AFS investments.

19. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2010*

Group - 2010 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Segment Total S\$ Mil	Corp S\$ Mil	Group Total S\$ Mil
Operating revenue	3,105.8	5,618.7	-	-	8,724.5	-	8,724.5
Segment results	829.2	633.1	-	-	1,462.3	(34.2)	1,428.1
Other income	18.5	31.5	-	-	50.0	-	50.0
Profit/ (Loss) before exceptional items	847.7	664.6	-	-	1,512.3	(34.2)	1,478.1
Exceptional items	-	-	-	-	-	1.4	1.4
Profit/ (Loss) on operating activities	847.7	664.6	-	-	1,512.3	(32.8)	1,479.5
Share of results of associated and joint venture companies							
- Bharti	-	-	313.6	-	313.6	-	313.6
- Telkomsel	-	-	335.8	-	335.8	-	335.8
- Globe	-	-	64.5	-	64.5	-	64.5
- AIS	-	-	93.9	-	93.9	-	93.9
- Others	-	-	12.4	-	12.4	-	12.4
	-	-	820.2	-	820.2	-	820.2
Profit/ (Loss) before interest, investment income (net) and tax	847.7	664.6	820.2	-	2,332.5	(32.8)	2,299.7
Interest and investment income (net)	-	8.9	-	-	8.9	-	8.9
Finance costs	-	(68.5)	-	-	(68.5)	(106.9)	(175.4)
Profit/ (Loss) before tax	847.7	605.0	820.2	-	2,272.9	(139.7)	2,133.2
Segment assets							
Investment in associated and joint venture companies							
- Bharti	-	-	5,137.0	-	5,137.0	-	5,137.0
- Telkomsel	-	-	3,002.7	-	3,002.7	-	3,002.7
- Globe	-	-	1,014.0	-	1,014.0	-	1,014.0
- AIS	-	-	443.2	-	443.2	-	443.2
- Others	-	-	456.5	-	456.5	-	456.5
	-	-	10,053.4	-	10,053.4	-	10,053.4
Goodwill on acquisition of subsidiaries	82.2	9,571.2	-	-	9,653.4	-	9,653.4
Other assets	4,737.1	14,533.6	-	(2,735.2)	16,535.5	1,793.5	18,329.0
	4,819.3	24,104.8	10,053.4	(2,735.2)	36,242.3	1,793.5	38,035.8

19. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2010*

Group - 2009 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Segment Total S\$ Mil	Corp S\$ Mil	Group Total S\$ Mil
Operating revenue	2,825.3	5,125.2	-	-	7,950.5	-	7,950.5
Segment results	855.8	505.6	-	-	1,361.4	(34.9)	1,326.5
Other income	24.2	21.4	-	-	45.6	0.1	45.7
Profit/ (Loss) before exceptional items	880.0	527.0	-	-	1,407.0	(34.8)	1,372.2
Exceptional items	2.3	-	-	-	2.3	2.1	4.4
Profit/ (Loss) on operating activities	882.3	527.0	-	-	1,409.3	(32.7)	1,376.6
Share of results of associated and joint venture companies							
- Bharti	-	-	435.4	-	435.4	-	435.4
- Telkomsel	-	-	358.8	-	358.8	-	358.8
- AIS	-	-	84.4	-	84.4	-	84.4
- Globe	-	-	76.3	-	76.3	-	76.3
- Others	-	-	8.6	-	8.6	-	8.6
	-	-	963.5	-	963.5	-	963.5
Profit/ (Loss) before interest, investment income (net) and tax	882.3	527.0	963.5	-	2,372.8	(32.7)	2,340.1
Interest and investment income/ (expense) (net)	-	4.3	-	-	4.3	(11.7)	(7.4)
Finance costs	-	(43.1)	-	-	(43.1)	(102.0)	(145.1)
Profit/ (Loss) before tax	882.3	488.2	963.5	-	2,334.0	(146.4)	2,187.6
Segment assets							
Investment in associated and joint venture companies							
- Bharti	-	-	3,661.0	-	3,661.0	-	3,661.0
- Telkomsel	-	-	2,822.6	-	2,822.6	-	2,822.6
- Globe	-	-	1,107.9	-	1,107.9	-	1,107.9
- AIS	-	-	567.5	-	567.5	-	567.5
- Others	-	-	782.5	-	782.5	-	782.5
	-	-	8,941.5	-	8,941.5	-	8,941.5
Goodwill on acquisition of subsidiaries	82.2	9,566.4	-	-	9,648.6	-	9,648.6
Other assets	4,299.6	12,290.5	-	(1,833.5)	14,756.6	1,834.3	16,590.9
	4,381.8	21,856.9	8,941.5	(1,833.5)	33,346.7	1,834.3	35,181.0

OTHER INFORMATION

- 20.** The financial position as at 30 September 2010 and the results, statements of changes in equity and cash flows for the second quarter and half year ended 30 September 2010 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 opinion on page 33 of this announcement).

21. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2010.

22. 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 second quarter and half year ended 30 September 2010.

23. 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 second quarter and half year ended 30 September 2010.

24. ASSOCIATED COMPANIES OF THE GROUP

Name of Company	Percentage of effective equity held by the Group as at	
	30 Sep 10 %	30 Sep 09 %
ADSB Telecommunications B.V.	25.6	25.6
APT Satellite Holdings Limited	20.3	20.3
APT Satellite International Company Limited	28.6	28.6
Ayala Systems Technology, Inc ⁽¹⁾	-	30.0
Infoserve Technology Corp.	25.0	25.0
OpenNet Pte Ltd	29.9	29.9
Singapore Post Limited	25.6	25.6
Telescience Singapore Pte Ltd	50.0	50.0
Viewers Choice Pte Ltd	49.2	49.2
Warid Telecom (Private) Limited	30.0	30.0

Notes:

(1) The company had been classified as a subsidiary following SCS' acquisition of an additional 21% equity interest in the previous financial year ended 31 March 2010.

25. JOINT VENTURE COMPANIES OF THE GROUP

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 10 %	30 Sep 09 %
Abacus Travel Systems Pte Ltd	30.0	30.0
Acasia Communications Sdn Bhd	14.3	14.3
ACPL Marine Pte Ltd	41.7	41.7
Advanced Info Service Public Company Limited	21.3	21.3
ASEAN Cablesip Pte Ltd	16.7	16.7
ASEAN Telecom Holdings Sdn Bhd	14.3	14.3
Asiacom Philippines, Inc.	40.0	40.0
Bharti Airtel Limited ⁽¹⁾	32.0	30.4
Bharti Telecom Limited ⁽¹⁾	36.2	32.8
Bridge Mobile Pte Ltd	33.4	33.4

25. JOINT VENTURE COMPANIES OF THE GROUP (Continued)

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 10 %	30 Sep 09 %
Globe Telecom, Inc.	47.3	47.3
Grid Communications Pte Ltd	50.0	50.0
Indian Ocean Cables Pte Ltd	50.0	50.0
International Cables Pte Ltd	45.0	45.0
Main Event Television Pty Limited	33.3	33.3
OPEL Networks Pty Limited	50.0	50.0
Pacific Bangladesh Telecom Limited	45.0	45.0
Pacific Carriage Holdings Limited	40.0	40.0
PT Telekomunikasi Selular	35.0	35.0
Radiance Communications Pte Ltd	50.0	50.0
Southern Cross Cable Holdings Limited	40.0	40.0
TeleTech Park Pte Ltd	40.0	40.0
VA Dynamics Sdn Bhd	49.0	49.0

Note:

- (1) In November 2009, the Group increased its shareholding in Bharti Telecom Limited (the holding company of Bharti Airtel Limited) from 32.8% to 36.2%. Correspondingly, the Group's effective interest in Bharti Airtel Limited increased from 30.4% to 32.0%.

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 second quarter and half year ended 30 September 2010 to be false or misleading.

On behalf of the Board of Directors

Fang Ai Lian
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
10 November 2010

INDEPENDENT AUDITORS' REVIEW OPINION

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 SECOND
QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2010****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("SingTel" or the "Company") as of 30 September 2010 and statement of changes in equity of the Company for the Second Quarter and Half Year then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "Group") as of 30 September 2010 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the Second Quarter and Half Year then ended, selected notes and other explanatory notes ("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 and the Australian Securities 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
Certified Public Accountants

Singapore
10 November 2010