

# **SingTel: Asia's leading communications group**



CLSA Investors' Forum 2011

# Forward looking statement – important note

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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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



# Agenda

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02 // Singapore

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04 // Associates & joint ventures

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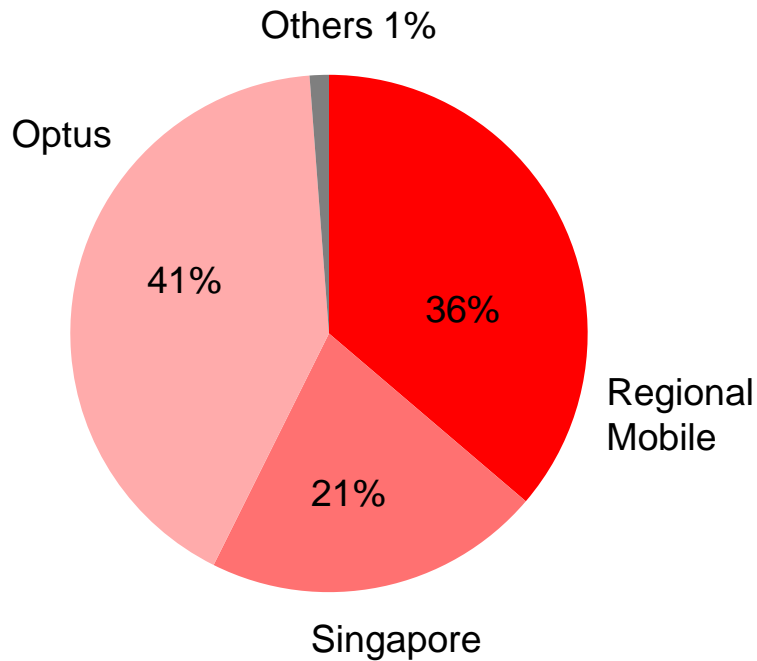
05 // Financial position & outlook

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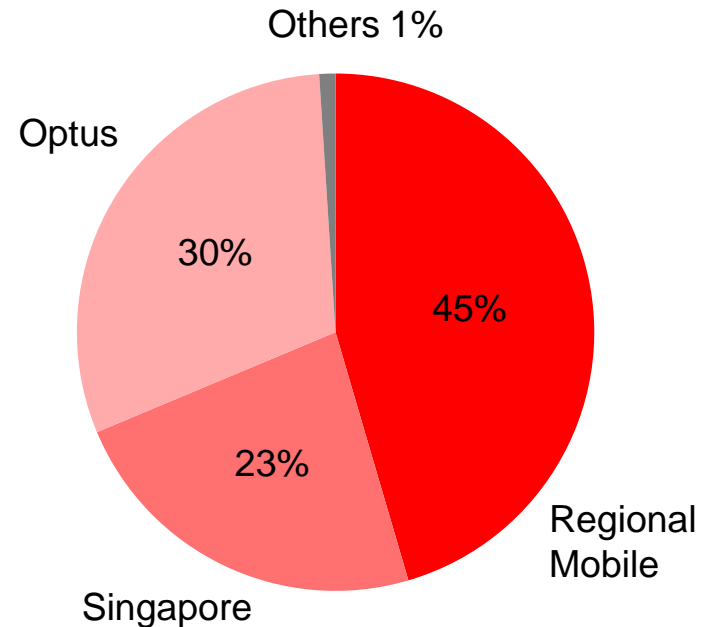
# SingTel Group: diversified operations

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**Proportionate revenue<sup>1</sup>**  
**78% outside Singapore**



**Proportionate EBITDA<sup>2</sup>**  
**77% outside Singapore**



1. Consolidated revenue plus proportionate share of associates' revenue – 3 months to Jun 2011

2. Consolidated EBITDA plus proportionate share of associates' EBITDA – 3 months to Jun 2011

Proportionate information is provided as supplementary data only – to show relative contribution from Singapore, Australia and other regional markets

# Resilient operations in Singapore and Australia

Group performance	<b>Revenue</b> › up 7%	S\$4,605m	<b>Net profit</b> › down 3%	S\$916m
Singapore	<b>Revenue</b> › up 2%	S\$1,557m	<b>EBITDA<sup>2</sup></b> › down 4%	S\$567m
Optus	<b>Revenue</b> › up 3%	A\$2,313m	<b>EBITDA</b> › up 1%	A\$560m
Regional Mobile	<b>Customers<sup>3</sup></b> › up 19%	416m	<b>Pre-tax earnings<sup>4</sup></b> › down 10% › stable in constant currency & excl Bharti Africa losses	S\$472m

1. All figures for quarter ended 30 June 2011. Comparisons based on June 11 vs June 10 quarter

2. Excludes Group and International Business corporate costs

3. Group mobile subscribers, including SingTel, Optus and Regional Mobile Associates

4. Based on the Group's share of Regional Mobile Associates Profit Before Tax and exceptionals



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# Leading and shaping the market; engaging the digital consumer with multimedia services

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## Mobile – extending our lead

Market share<sup>2</sup> 45.3%

› up 0.9% pts

Record postpaid additions<sup>3</sup>

› +57,000

Revenue

› up 9%

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## Drive smartphone adoption and data usage

Data (ex SMS) as % of ARPU

› 19%

Wireless broadband customers up 72%

› 975k

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## Building innovative exclusive apps

- › Hyper-local apps that leverage our local knowledge & complements consumer lifestyles



AMPed



Mo4U



WheresApp



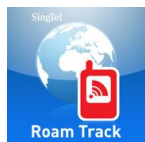
Skoob



ILoveDeals



Delite



Roam Track



inSing.com  
NightOut



inSing



SingTel  
Xplorer

## Asia's 1st premium priority mobile broadband service

- › faster & more reliable mobile Internet connectivity



1. All figures for quarter ended, or as at 30 June 2011. Comparisons based on June 11 vs June 10 quarter, unless otherwise stated

2. Overall mobile customer market share as at June 2011

3. June 2011 vs March 2011

# Winning the digital home

## Delivering innovative & content-rich services over multiple platforms

Customers on bundles: 255k

- › up 28%
- › approx 22% of Singapore households<sup>2</sup>



## Launched fibre services and other multimedia content

- › **exCite TV:** web HD video search through the TV
- › **ESCape:** gaming on-demand from 'cloud'



## Driving higher household ARPU

### DSL bundle - mio Home

15mbps DSL access, home line, TV

› \$64.90 per month

### Fibre bundle - exPlore Home

100mbps fibre access, home line, TV

› \$79.90 per month



1. All figures for quarter ended, or as at 30 June 2011. Comparisons based on June 11 vs June 10 quarter, unless otherwise stated  
2. Based on Department of Statistics Singapore, 1.15 million resident households

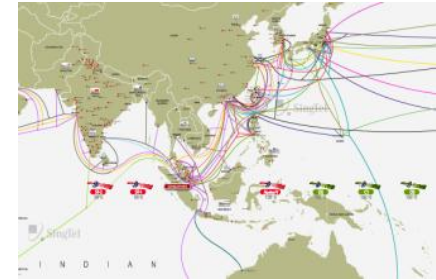


# Integrated one-stop ICT experience for businesses

Telco 1.0

## Managed infrastructure

- › Extend managed infrastructure leadership



Telco 2.0

## Professional Services Managed Services

- › Drive managed & professional services to higher scale

Telco 3.0

## Cloud computing services

- › Offer end-to-end cloud computing solutions

### Business Solutions on-demand:

- › Infrastructure
- › Applications
- › Connectivity
- › Managed services



### Vertical industry focus:

- › Education
- › Financial services
- › Healthcare
- › Hospitality & media
- › Transport & logistics



## Introducing Optus TV Now

Record and Watch free-to-air TV on  
your Optus 3G compatible mobile



yes  
OPTUS

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# Optus Mobile: driving strategic differentiation

## Mobile

### Mobile service revenue

› up 3%

### Mobile EBITDA

› stable

### Market share<sup>2</sup>

› stable

## Deliver relevant and personalised digital services to customers



Optus Smart Safe



TV Now



## Customer Experience leadership

- › Strengthening internal processes
- › Driving customer loyalty
- › Better understanding of the customer

## Increase investment in our mobile network

CONTINUE  
regional  
expansion

INVEST  
in metro  
network  
depth

COMPLETE  
upgrade  
to HSDPA+

FINALISE  
trials of  
LTE

1. All figures for quarter ended, or as at 30 June 2011. Comparisons based on June 11 vs June 10 quarter, unless otherwise stated  
2. Service revenue market share, 6-months to June 11 vs June 10, based on three telco's disclosures

# Optus Fixed: delivering profitability via on-net focus

## Consumer & SMB fixed

Consumer on-net revenue

› down 1%

EBITDA

› up 5%

EBITDA margin up 2% points

› 18%

## Business & Wholesale fixed

Revenue

› stable

EBITDA

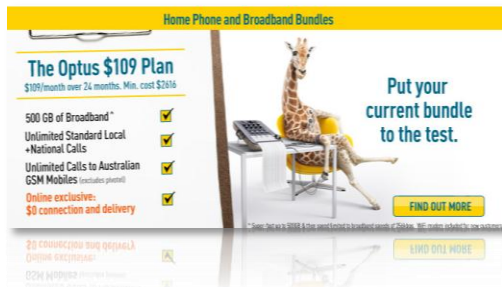
› up 1%

EBITDA margin stable

› 26%

## Strengthening our position in lead-up to NBN

Bundling, innovating & differentiating  
in mass market



fetchtv



Leveraging our ICT and cloud  
capability





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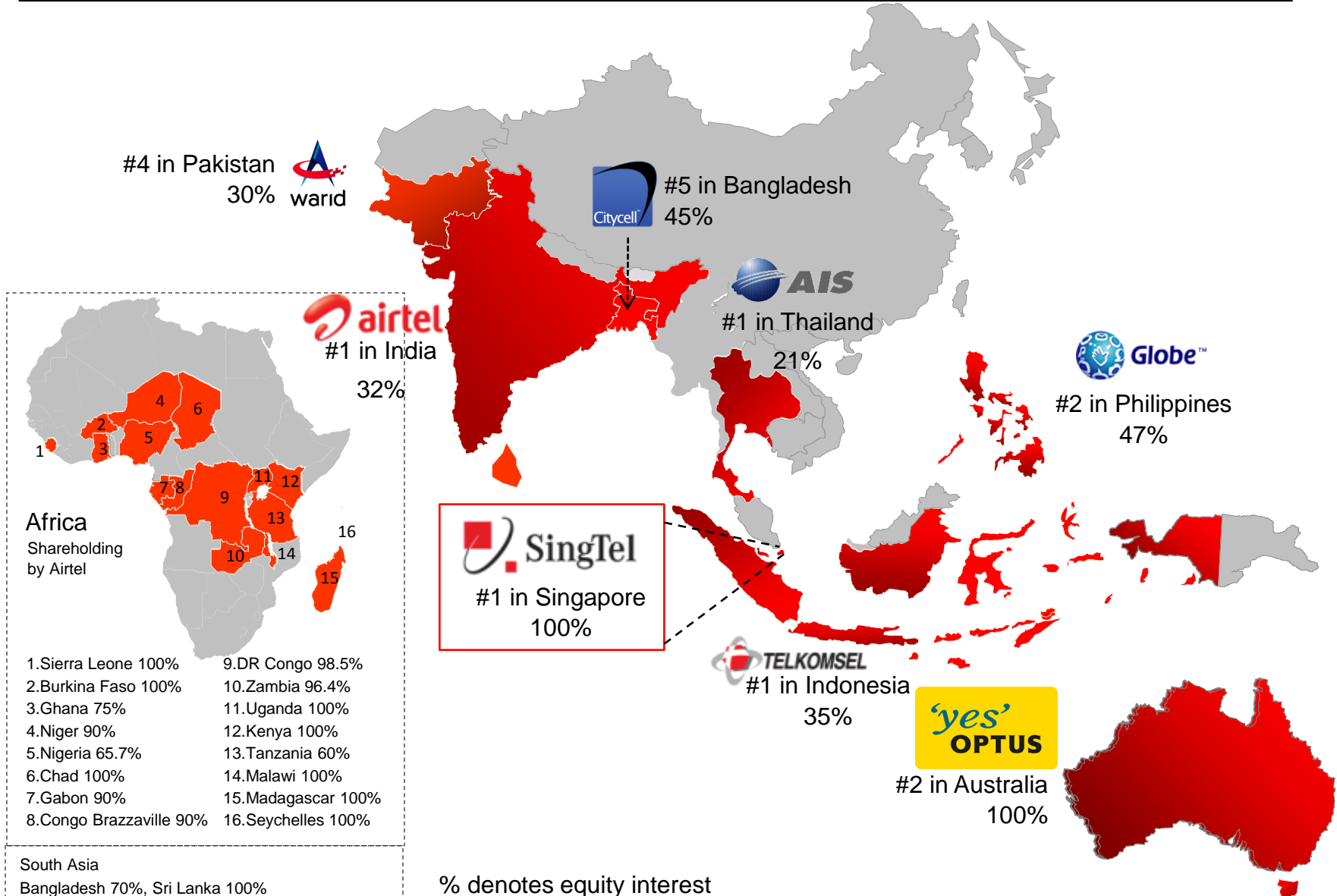
**04 // Associates & Joint Ventures**

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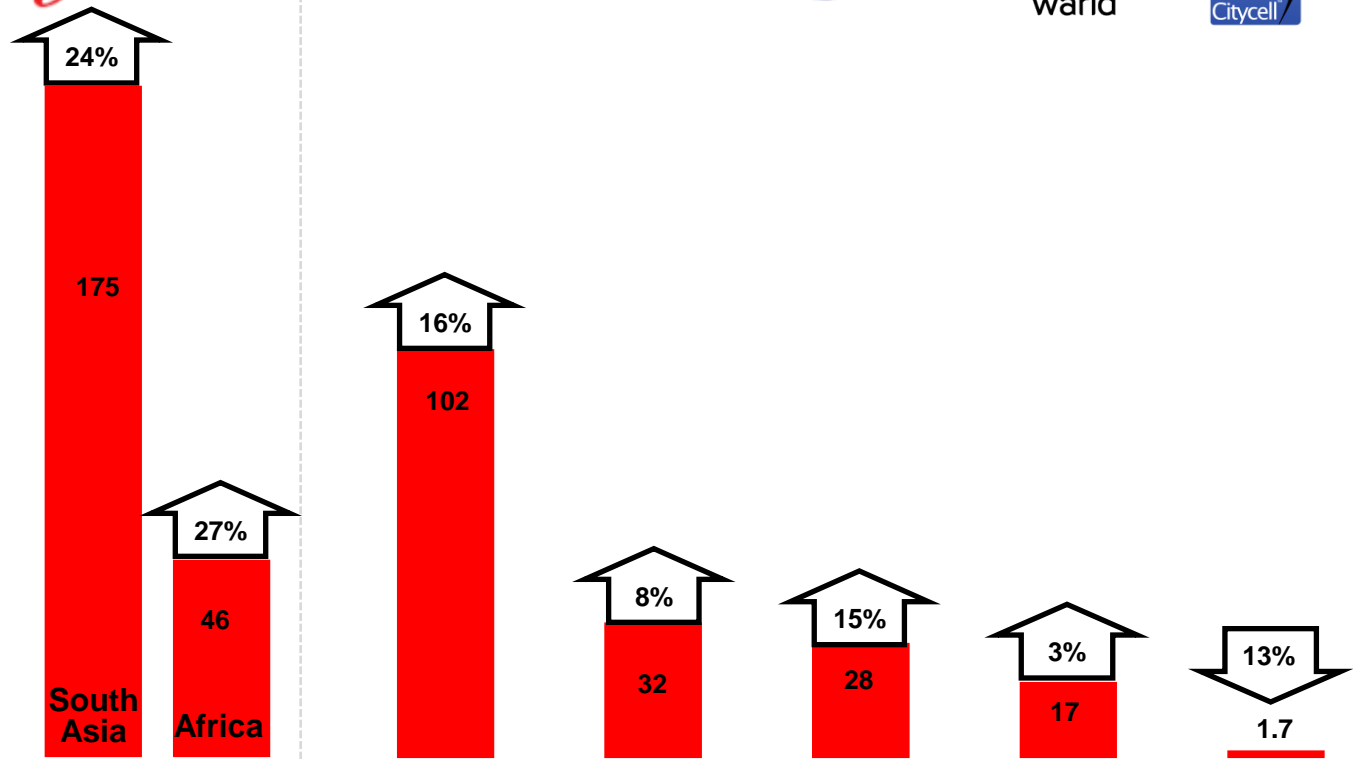
# Significant footprint across Asia & Africa



# Growing our Pan-Asia & Africa customer base



 Mobile customers (m)  
 Growth in customers (%)



Effective stake (%)	32.3%	35.0%	21.3%	47.3	30.0	45.0
Mobile penetration	72% <sup>1</sup>	93%	115%	95%	65%	46%
Market position	#1 <sup>1</sup>	#1	#1	#2	#4	#5
Market share (%)	20% <sup>1</sup>	46%	44%	31% <sup>2</sup>	16%	2%

1. For India market only

2. As at Mar 11



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# Sound financial position

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**Strong cash flow**      **S\$913 million** › up 18%

Singapore	Optus	Associates' dividends
› S\$227 million	› S\$267 million	› S\$420 million

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## Solid balance sheet

Net debt	Net debt : EBITDA & share of	Ratings
› S\$5.3 billion	associates' pre-tax profits	› S&P: A+
	› 0.8x	› Moody's: Aa2

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## Dividend policy

**55% to 70% of underlying net profit**

FY10/11 dividends:

- › 15.8¢ ordinary dividend : 66% of underlying net profit
- › 10.0¢ special dividend

# FY12 Outlook

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## FY12 Guidance

<b>Revenue</b>	<b>Singapore &amp; Australia</b>	> grow at low single digit level
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<b>EBITDA</b>	<b>Singapore Australia</b>	> stable > grow at low single digit level
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<b>Capex</b>	<b>Singapore: Australia:</b>	> approx S\$900 million > approx A\$1.2 billion
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<b>Free cash flow</b>	<b>Singapore: Australia:</b>	> approx S\$1.3 billion > above A\$1 billion
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	<b>Ordinary dividends from Regional Mobile Associates:</b>	> Stable
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