

Optus Update

SingTel Regional Mobile Investor Day
2 December 2011

Mr Paul O'Sullivan, Chief Executive

Forward looking statements - important note

The following presentation may contain forward looking statements by the management of SingTel Group 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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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 Group. In particular, such targets should not be regarded as a forecast or projection of future performance of SingTel Group. It should be noted that the actual performance of SingTel Group may vary significantly from such targets.

Agenda

- Economy and Industry Landscape
- Strategy and Performance

An exciting year with some historic developments...

THE TECHNOLOGY THAT SHAPED 2011
**THE YEAR OF
THE CLOUD**

Telstra
shareholders
give nod to
NBN deal

Optus and NBN Co reach A\$800m agreement

Optus and NBN Co have forged a deal to migrate the telco's Hybrid Fibre Coaxial network customers over to the NBN.

iPhone 4S sales hit 4 million

Competitive pressures on the rise

Smartphone numbers on the double

Consumer sentiment at two-year low

Vodafone hangs up on 3

**Telstra: Margin squeeze
likely to persist into FY12**

... within an environment of increased competition, significantly weaker consumer sentiment and a two-speed economy

Optus forges ahead with significant achievements

NBN Co hands satellite deals to Optus

Optus Business boosts Internet security for enterprise customers

Optus linking TV and mobile with TV Now

Optus customers able to Fetch TV content

Optus to launch new satellite in 2013
'Optus 10' satellite scheduled to be deployed for Australia and New Zealand

Sydney Water taps Optus to supply telecoms services

Optus ready to roll on 4G

Optus kicks off 700MHz LTE trial
Optus jets into Qantas Frequent Flyer alliance

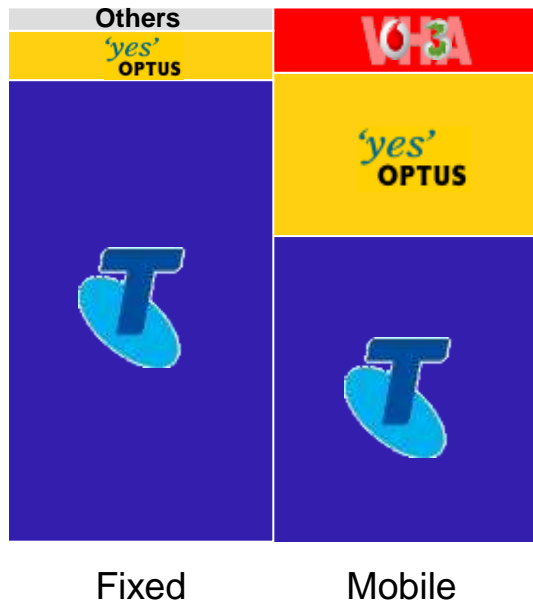
Optus upgrades to keep pace with smartphone demand

Small businesses soar into the cloud with Optus OfficeApps

Optus maps out Australia-wide dining deals with Go Places

Major changes are coming to the Australian telco industry...

Pre NBN market EBITDA (FY11)



Future

Mobile continues to be a key source of growth:

- ✓ Strong device take-up
- ✓ Strong ongoing demand expected for data services

However, fixed market still very important:

- ✓ Increased market opportunity with NBN
- ✓ Emerging value of convergence to customers
- ✓ NBN expected to have substantial fixed market share in medium to long term

Source: Carrier results, Optus analysis.

... creating new challenges and opportunities

Agenda

- Economy and Industry Landscape

- Strategy and Performance

Optus' strategy has 4 key initiatives

1 Grow mobile market share

- Target customer growth
- Increase mobile data usage
- Maintain wireless broadband momentum
- Further enhancement and expansion of mobile network

2 Focus on growing fixed on-net business

- Profit from on-net scale opportunities
- Drive IP capabilities in Optus Business
- Advocate a pro-competitive NBN model

3 Grow new revenue streams

- Mobile content and application services in consumer market
- Managed services, cloud services, content and ICT in business market

4 Deliver outstanding customer experience

- Lead customer experience
- Re-engineer business processes
- Investment in IT capabilities

Growth through innovation and deepening our reach with MVNOs

1 Grow mobile market share

Innovation



Femtocell



Rewards Program



Cloud



Entertainment

MVNOs*

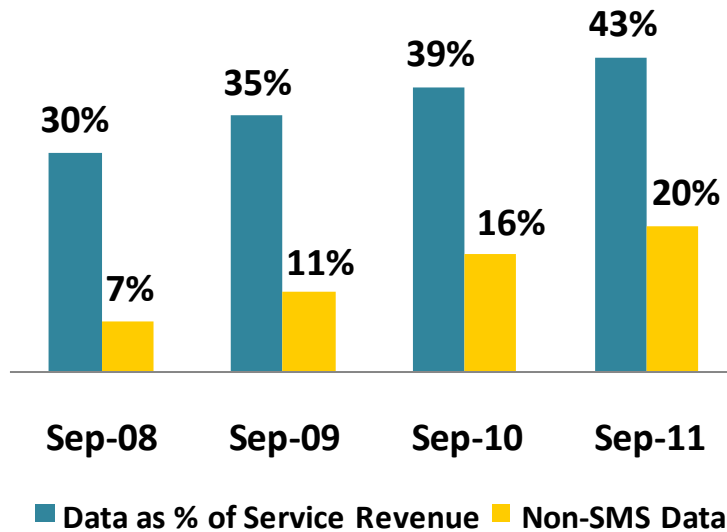


* Mobile Virtual Network Operator

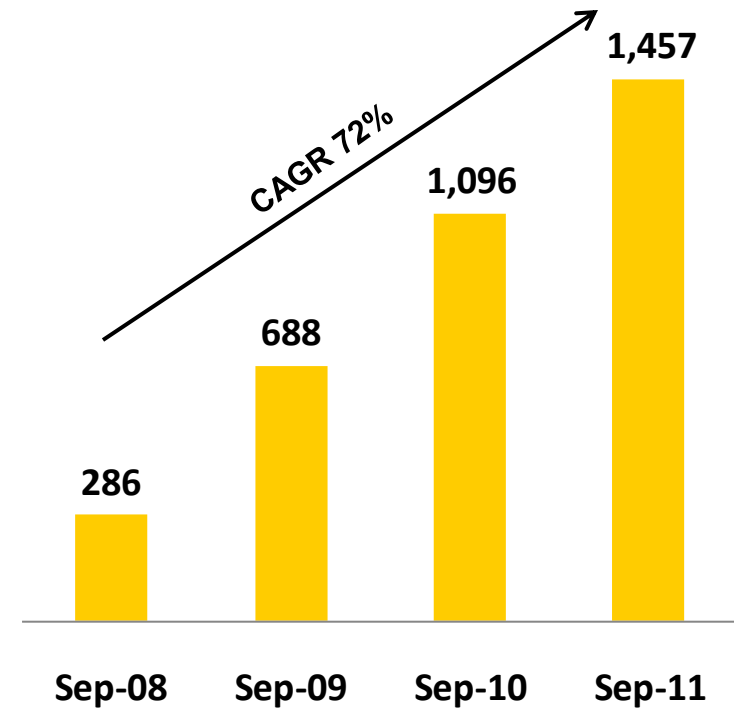
Leveraging consumer appetite for data

1 Grow mobile market share

Data and non-SMS data as % of Service Revenue (12 months to)



WBB Subscribers (000s)



Increased investment makes us the leading challenger network

1 Grow mobile market share



4G LTE rollout with first services available from April 2012

In the last three years we've invested over A\$1.6bn in the Open Network¹

U900 spectrum migration program will provide major 3G coverage boost to capital cities²

Our network coverage reaches 97% of Australians³

We delivered 3G competition to more than 200 towns since 2009⁴

Femtocell
Leveraging fixed network

We delivered 1,000 in-building solutions, improving coverage for metro customers⁵

Independent testing rates Open Network highly

"Optus' Network performance remains impressive"...

"The interesting thing here is how relatively close Optus' best figures are to Telstra's dual HSPA +"
PC & Tech Authority magazine, June 2011

¹ Mobile capital expenditure for FY09, FY10 & FY11

² Program commenced in Sydney, Brisbane & Perth in Sep 11; other capital cities to join the program in coming months

³ 97% population coverage includes both voice and data

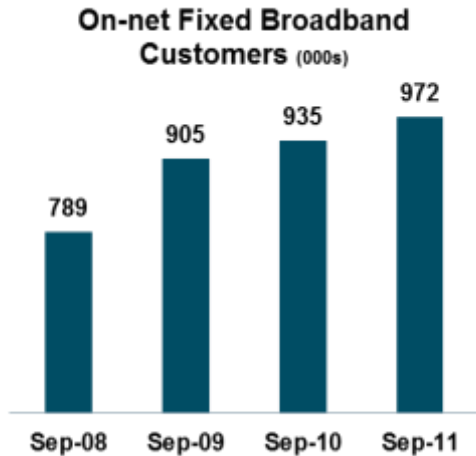
⁴ FY10 to FY11

⁵ As at 31 March 2011

Driving on-net customer growth and IP capabilities

2 Focus on growing fixed on-net business

Consumer & SMB fixed



Bundling, innovating & differentiating in mass market



DOCSIS 3.0 upgrade

Business & Wholesale fixed

Leveraging our ICT and cloud capability



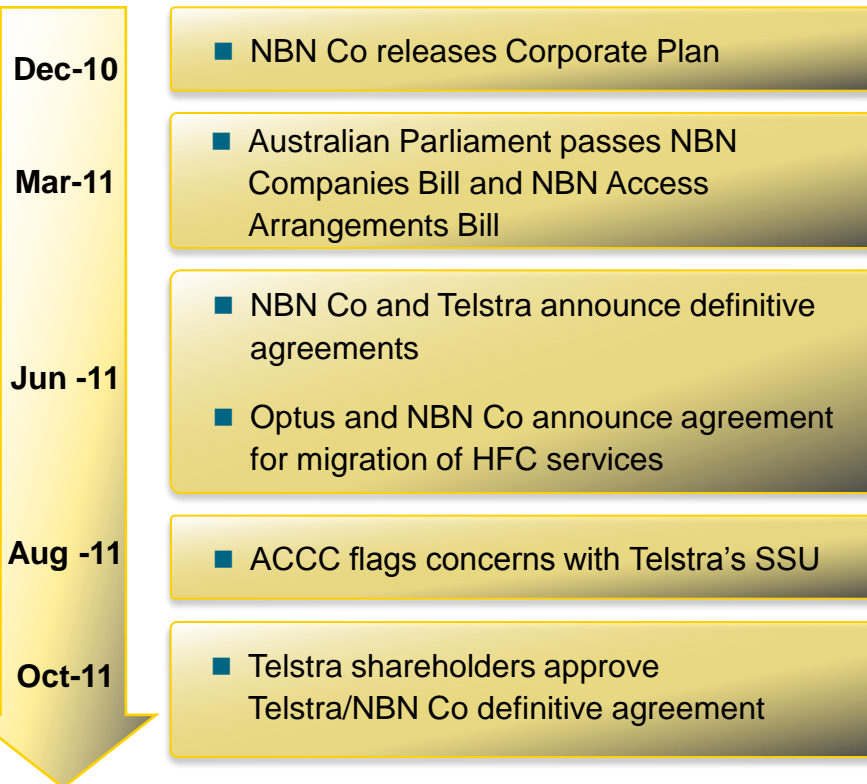
Optus 10 satellite is scheduled to be delivered in 2013



NBN – poised to level the playing field

2 Focus on growing fixed on-net business

Advocating a pro-competitive NBN¹ model



Advocating competitive industry structure

- SingTel Optus has consistently advocated for a regulatory framework that is built around four pillars:

1 Structural separation

2 Equivalent open access principles

3 Cost based pricing

4 ACCC oversight

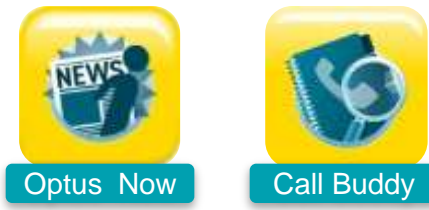
The future direction of the NBN remains subject to the ACCC's review of Telstra's Structural Separation Undertaking

Leadership in relevant and personalised digital services

3 Grow new revenue streams



Optus Go Places



TV & Video



My Account



Vidspot



Enabling a digital future for SMB customers

3 Grow new revenue streams

SMB Digital Products



Email & Collaboration



Web SMS



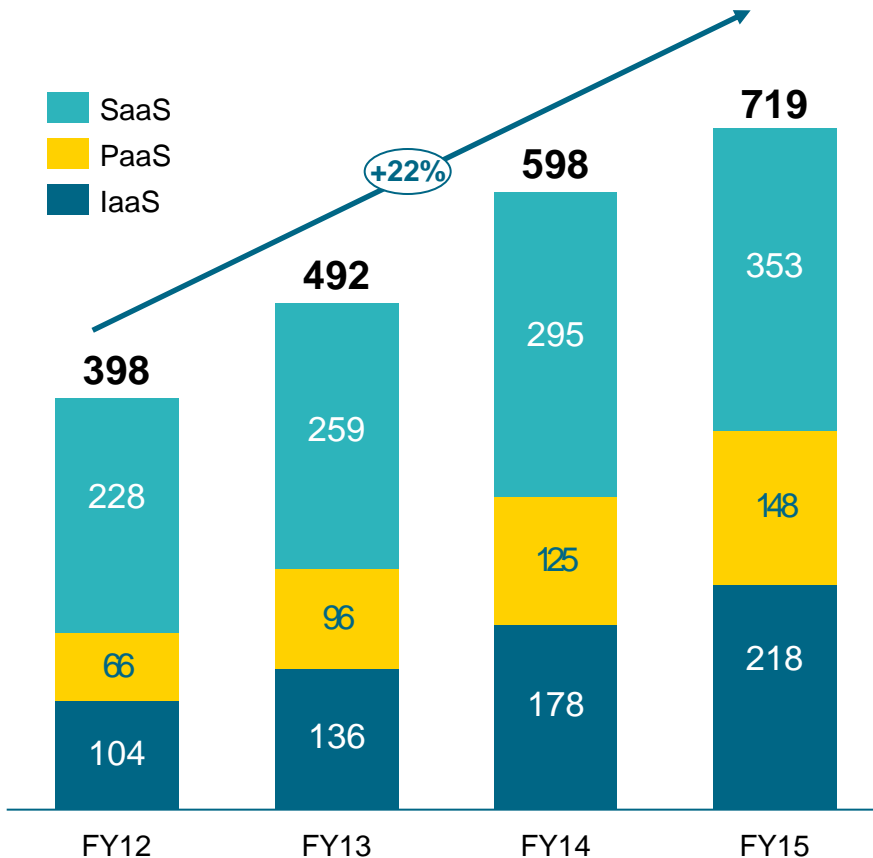
Mobile Security



Broadening our business with emphasis on Cloud Solutions

3 Grow new revenue streams

Australian Cloud Forecast (A\$m)



Accelerate growth in the Cloud market

- ✓ Extending IaaS portfolio and offering regional cloud capability
- ✓ Allowing our customer to consume their IT services where and when they want to
- ✓ Delivering the future worker a more flexible, collaborative and mobile experience using Cloud
- ✓ Leveraging our extensive local and regional network capability to deliver our Cloud offerings

We will breakout in Customer Experience

4 Deliver outstanding customer experience

Driving a breakthrough in Customer Experience

Fix vital service experience

We are **resolving** the key Customer pain points

Understand the Customer

We will continue to invest in systems and our people to **exceed customer expectations**

Product is the Network

We will continue to **invest in our network** and will work to close our customers' perception gap of **our performance**

Closed Loop Feedback

We **empower our people** to drive continuous improvement by ensuring Customer feedback is achieved on a timely basis

Design for Lifetime Value

We **drive loyalty** through our **acquisition, retention and rewarding of our Customers**



Link Customer Experience to Value

We **linked Customer Experience** to performance

Driving a Customer-centric attitude

Focus on building mobile market share while exploiting the NBN

FY12

Drive to leadership
in Customer
Experience
and leverage digital
capabilities to drive
lower cost structure

FY2012+

Exploit NBN and IP
to cement leadership
via wireless-led
convergence

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