



**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 2011**

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RESULTS FOR ANNOUNCEMENT TO THE MARKET (APPENDIX 4D)*For the half year ended 30 September 2011*

Group	Half Year 30 Sep		Percentage change
	2011 S\$ Mil	2010 S\$ Mil	
Revenue from ordinary activities	9,214.8	8,724.5	5.6%
Profit from ordinary activities after taxation attributable to shareholders	1,797.7	1,835.4	-2.1%
Net profit attributable to shareholders	1,797.7	1,835.4	-2.1%
Net tangible assets per ordinary share ⁽¹⁾	77.21¢	84.82¢	-9.0%

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 2011, the number of ordinary shares was 15,930,250,887 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 2011 and announcements to the market during the six months ended 30 September 2011.

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 2011

	Notes	Quarter 30 Sep		Half Year 30 Sep	
		2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
Operating revenue		4,609.6	4,435.5	9,214.8	8,724.5
Operating expenses		(3,384.4)	(3,273.0)	(6,736.6)	(6,331.0)
Other income	2	24.2	25.6	55.3	50.0
		1,249.4	1,188.1	2,533.5	2,443.5
Depreciation and amortisation	3	(494.3)	(481.1)	(995.5)	(965.4)
		755.1	707.0	1,538.0	1,478.1
Exceptional items	4	(3.5)	1.1	(21.9)	1.4
Profit on operating activities		751.6	708.1	1,516.1	1,479.5
Associated and joint venture companies					
- share of ordinary results		498.0	566.6	998.4	1,117.4
- share of exceptional items	5	-	-	61.8	(9.6)
- share of tax		(150.4)	(155.2)	(297.6)	(287.6)
	13	347.6	411.4	762.6	820.2
Profit before interest, investment income (net) and tax		1,099.2	1,119.5	2,278.7	2,299.7
Interest and investment income/ (expense) (net)	6	27.5	(0.7)	30.6	8.9
Finance costs	7	(99.9)	(87.1)	(195.8)	(175.4)
Profit before tax		1,026.8	1,031.7	2,113.5	2,133.2
Tax expense	8	(146.0)	(140.5)	(315.6)	(299.9)
Profit after tax		880.8	891.2	1,797.9	1,833.3
Attributable to:					
Shareholders of the Company		881.5	892.2	1,797.7	1,835.4
Non-controlling interests		(0.7)	(1.0)	0.2	(2.1)
		880.8	891.2	1,797.9	1,833.3
Earnings per share attributable to shareholders of the Company					
- basic	10	5.53¢	5.60¢	11.29¢	11.52¢
- diluted	10	5.52¢	5.59¢	11.25¢	11.50¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)*For the second quarter and half year ended 30 September 2011*

	Quarter		Half Year	
	30 Sep		30 Sep	
	2011	2010	2011	2010
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
Profit after tax	880.8	891.2	1,797.9	1,833.3
Other comprehensive (loss)/ income				
Exchange differences arising from translation of foreign operations and other currency translation differences	(503.9)	175.5	(563.0)	(470.1)
Cash flow hedges				
- Fair value changes during the period	287.2	(264.7)	166.6	55.3
- Tax effects	(52.8)	28.2	(44.0)	(77.2)
	234.4	(236.5)	122.6	(21.9)
- Fair value changes transferred to income statement	(345.8)	232.9	(231.0)	(89.1)
- Tax effects	49.4	(23.5)	38.8	75.3
	(296.4)	209.4	(192.2)	(13.8)
	(62.0)	(27.1)	(69.6)	(35.7)
Fair value changes on available-for-sale investments during the period	(3.8)	21.2	6.1	27.4
Share of other comprehensive (loss)/ income of associated and joint venture companies	(7.0)	167.7	(10.0)	131.9
Other comprehensive (loss)/ income, net of tax	(576.7)	337.3	(636.5)	(346.5)
Total comprehensive income	304.1	1,228.5	1,161.4	1,486.8
Attributable to:				
Shareholders of the Company	304.7	1,229.6	1,161.0	1,488.9
Non-controlling interests	(0.6)	(1.1)	0.4	(2.1)
	304.1	1,228.5	1,161.4	1,486.8

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2011

	Notes	Group		Company	
		As at 30 Sep 11 S\$ Mil (Unaudited)	As at 31 Mar 11 S\$ Mil (Audited)	As at 30 Sep 11 S\$ Mil (Unaudited)	As at 31 Mar 11 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		1,729.1	2,738.0	216.2	223.3
Trade and other receivables		3,555.7	3,449.3	914.0	737.8
Due from subsidiaries		-	-	4,239.5	4,778.9
Derivative financial instruments		34.7	68.6	29.8	68.6
Inventories		327.7	299.3	51.0	71.7
		5,647.2	6,555.2	5,450.5	5,880.3
Non-current assets					
Property, plant and equipment		10,769.7	11,112.5	1,784.6	1,890.8
Intangible assets		10,175.7	10,218.3	1.8	2.0
Subsidiaries		-	-	7,787.4	7,734.1
Associated companies		243.4	172.4	592.1	24.7
Joint venture companies		9,702.9	10,024.5	34.1	34.1
Available-for-sale ("AFS") investments		362.6	309.1	37.6	38.6
Derivative financial instruments		123.1	-	164.7	22.9
Deferred tax assets		635.3	764.0	-	-
Loan to associated company	11	1,260.1	-	1,260.1	-
Other non-current receivables		139.3	126.3	269.8	270.8
		33,412.1	32,727.1	11,932.2	10,018.0
Total assets		39,059.3	39,282.3	17,382.7	15,898.3
Current liabilities					
Trade and other payables		4,367.7	4,450.4	1,141.5	1,022.1
Due to subsidiaries		-	-	864.3	553.4
Current tax liabilities		355.5	391.7	251.6	248.3
Borrowings (unsecured)	12	2,752.2	2,672.6	2,646.9	2,667.4
Borrowings (secured)	12	25.1	26.3	0.1	-
Derivative financial instruments		909.3	999.8	905.9	988.2
Deferred gain	11	29.0	-	-	-
		8,438.8	8,540.8	5,810.3	5,479.4
Non-current liabilities					
Borrowings (unsecured)	12	5,318.9	4,544.1	924.3	734.5
Borrowings (secured)	12	132.0	42.6	94.7	-
Advance billings		709.6	706.6	149.9	157.7
Deferred income		20.5	22.6	3.4	2.9
Deferred gain	11	1,068.5	-	-	-
Derivative financial instruments		368.7	586.1	347.1	311.8
Deferred tax liabilities		304.0	295.3	183.4	177.8
Other non-current liabilities		203.3	193.9	12.9	17.7
		8,125.5	6,391.2	1,715.7	1,402.4
Total liabilities		16,564.3	14,932.0	7,526.0	6,881.8
Net assets		22,495.0	24,350.3	9,856.7	9,016.5
Share capital and reserves					
Share capital	14	2,629.6	2,622.8	2,629.6	2,622.8
Reserves		19,843.2	21,705.5	7,227.1	6,393.7
Equity attributable to shareholders of the Company					
		22,472.8	24,328.3	9,856.7	9,016.5
Non-controlling interests		22.2	22.0	-	-
Total equity		22,495.0	24,350.3	9,856.7	9,016.5

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the second quarter ended 30 September 2011

Group - 2011	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 July 2011	2,624.1	(24.4)	(101.1)	(1,313.6)	(294.0)	66.0	25,466.0	(1,232.6)	25,190.4	23.0	25,213.4
Changes in equity for the quarter											
Issue of new shares	5.5	-	-	-	-	-	-	-	5.5	-	5.5
Performance shares purchased by Trust ⁽⁵⁾	-	(6.6)	-	-	-	-	-	-	(6.6)	-	(6.6)
Performance shares vested	-	0.1	(0.1)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	6.9	-	-	-	-	-	6.9	-	6.9
Transfer of liability to equity	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	0.1	(0.1)	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)
Special dividend paid	-	-	-	-	-	-	(1,593.6)	-	(1,593.6)	-	(1,593.6)
Final dividend paid	-	-	-	-	-	-	(1,434.3)	-	(1,434.3)	-	(1,434.3)
	5.5	(6.5)	6.6	-	-	-	(3,027.8)	(0.1)	(3,022.3)	(0.2)	(3,022.5)
Total comprehensive (loss)/ income for the quarter	-	-	-	(504.0)	(62.0)	(3.8)	881.5	(7.0)	304.7	(0.6)	304.1
Balance as at 30 September 2011	2,629.6	(30.9)	(94.5)	(1,817.6)	(356.0)	62.2	23,319.7	(1,239.7)	22,472.8	22.2	22,495.0

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the second quarter ended 30 September 2011

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 2011*

Company - 2011	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 2011	2,624.1	(62.7)	(205.6)	30.0	6,797.3	9,183.1
Changes in equity for the quarter						
Issue of new shares	5.5	-	-	-	-	5.5
Equity-settled performance shares	-	2.7	-	-	-	2.7
Contribution to Trust ⁽⁵⁾	-	(4.9)	-	-	-	(4.9)
Special dividend paid	-	-	-	-	(1,594.0)	(1,594.0)
Final dividend paid	-	-	-	-	(1,435.7)	(1,435.7)
	5.5	(2.2)	-	-	(3,029.7)	(3,026.4)
Total comprehensive (loss)/ income for the quarter	-	-	(29.4)	(2.0)	3,731.4	3,700.0
Balance as at 30 September 2011	2,629.6	(64.9)	(235.0)	28.0	7,499.0	9,856.7

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the second quarter ended 30 September 2011

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

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' relates 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\$359 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 30 September 2011 (30 September 2010: S\$433 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 2011

Group - 2011	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 April 2011	2,622.8	(27.1)	(102.9)	(1,254.4)	(286.4)	56.1	24,550.0	(1,229.8)	24,328.3	22.0	24,350.3	
Changes in equity for the period												
Issue of new shares	6.8	-	-	-	-	-	-	-	6.8	-	6.8	
Performance shares purchased by the Company	-	(0.5)	-	-	-	-	-	-	(0.5)	-	(0.5)	
Performance shares purchased by Trust ⁽⁵⁾	-	(6.6)	-	-	-	-	-	-	(6.6)	-	(6.6)	
Performance shares vested	-	3.3	(3.3)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	13.2	-	-	-	-	-	13.2	-	13.2	
Transfer of liability to equity	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)	
Cash paid to employees under performance share plans	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)	
Performance shares purchased by SingTel Optus Pty Limited ("Optus") and vested	-	-	(1.0)	-	-	-	-	-	(1.0)	-	(1.0)	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.1)	0.1	-	-	-	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)	
Special dividend paid	-	-	-	-	-	-	(1,593.6)	-	(1,593.6)	-	(1,593.6)	
Final dividend paid	-	-	-	-	-	-	(1,434.3)	-	(1,434.3)	-	(1,434.3)	
	6.8	(3.8)	8.4	-	-	-	(3,028.0)	0.1	(3,016.5)	(0.2)	(3,016.7)	
Total comprehensive (loss)/ income for the period	-	-	-	(563.2)	(69.6)	6.1	1,797.7	(10.0)	1,161.0	0.4	1,161.4	
Balance as at 30 September 2011	2,629.6	(30.9)	(94.5)	(1,817.6)	(356.0)	62.2	23,319.7	(1,239.7)	22,472.8	22.2	22,495.0	

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2011*

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 Optus and vested	-	-	(12.0)	-	-	-	-	-	(12.0)	-	(12.0)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.7)	0.7	-	-	-
Final dividend paid	-	-	-	-	-	-	(1,273.7)	-	(1,273.7)	-	(1,273.7)
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.3	2.3
	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 2011*

Company - 2011	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 April 2011	2,622.8	(64.6)	(197.3)	29.0	6,626.6	9,016.5
Changes in equity for the period						
Issue of new shares	6.8	-	-	-	-	6.8
Performance shares vested	-	(0.4)	-	-	-	(0.4)
Equity-settled performance shares	-	5.5	-	-	-	5.5
Transfer of liability to equity	-	(0.2)	-	-	-	(0.2)
Cash paid to employees under performance share plans	-	(0.3)	-	-	-	(0.3)
Contribution to Trust ⁽⁵⁾	-	(4.9)	-	-	-	(4.9)
Special dividend paid	-	-	-	-	(1,594.0)	(1,594.0)
Final dividend paid	-	-	-	-	(1,435.7)	(1,435.7)
	6.8	(0.3)	-	-	(3,029.7)	(3,023.2)
Total comprehensive (loss)/ income for the period	-	-	(37.7)	(1.0)	3,902.1	3,863.4
Balance as at 30 September 2011	2,629.6	(64.9)	(235.0)	28.0	7,499.0	9,856.7

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

For the half year ended 30 September 2011

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

Notes:

- (1) 'Treasury Shares' are accounted for in accordance with Singapore FRS 32, *Financial Instruments: Disclosure and Presentation*.
- (2) 'Currency Translation Reserve' relates 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\$359 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 30 September 2011 (30 September 2010: S\$433 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 2011*

	Quarter 30 Sep		Half Year 30 Sep	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
Cash Flows from Operating Activities				
Profit before tax	1,026.8	1,031.7	2,113.5	2,133.2
Adjustments for				
Depreciation and amortisation	494.3	481.1	995.5	965.4
Exceptional items	3.5	(1.1)	(1.6)	(1.4)
Interest and investment (income)/ expense (net)	(27.5)	0.7	(30.6)	(8.9)
Finance costs	99.9	87.1	195.8	175.4
Share of results of associated and joint venture companies (post-tax)	(347.6)	(411.4)	(762.6)	(820.2)
Other non-cash items	11.1	9.8	21.3	15.5
	233.7	166.2	417.8	325.8
Operating cash flow before working capital changes	1,260.5	1,197.9	2,531.3	2,459.0
Changes in operating assets and liabilities				
Trade and other receivables	(155.5)	(51.2)	(201.6)	(128.9)
Trade and other payables	211.1	89.8	111.8	(8.2)
Inventories	(8.7)	29.2	(35.9)	(30.6)
Currency translation adjustments of subsidiaries	4.7	(3.6)	1.2	*
Cash generated from operations	1,312.1	1,262.1	2,406.8	2,291.3
Payment to employees in cash under performance share plans	(0.5)	(1.0)	(0.8)	(4.0)
Dividends received from associated and joint venture companies	221.7	483.3	686.3	710.9
Income tax and withholding tax paid	(186.3)	(153.7)	(232.0)	(144.9)
Net cash inflow from operating activities	1,347.0	1,590.7	2,860.3	2,853.3
Cash Flows from Investing Activities				
Dividends received from AFS investments	13.9	14.8	14.8	16.0
Interest received	9.0	6.3	18.0	10.9
Contribution from non-controlling interests	-	-	-	2.3
Investment in associated and joint venture companies	(567.4)	-	(575.0)	(31.6)
Long term loans repaid by joint venture companies	-	-	-	1.4
Investment in AFS investments	(9.4)	(0.1)	(47.5)	(0.1)
Balance carried forward	(553.9)	21.0	(589.7)	(1.1)

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)*For the second quarter and half year ended 30 September 2011*

	Quarter 30 Sep		Half Year 30 Sep	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
Cash Flows from Investing Activities (continued)				
Balance brought forward	(553.9)	21.0	(589.7)	(1.1)
Payment for purchase of property, plant and equipment	(431.5)	(494.8)	(1,031.4)	(981.1)
Advance payment for purchase of submarine cable capacity	(9.7)	(27.9)	(9.7)	(27.9)
Drawdown of prepaid submarine cable capacity	-	-	11.0	18.0
Proceeds from sale of property, plant and equipment	570.5	2.6	572.6	3.1
Purchase of intangible assets	(11.6)	(0.2)	(44.7)	(0.5)
Withholding tax paid on intra-group interest income	(7.3)	(0.7)	(8.1)	(1.4)
Net cash outflow for investing activities	(443.5)	(500.0)	(1,100.0)	(990.9)
Cash Flows from Financing Activities				
Proceeds from term loans	264.1	0.6	264.1	638.0
Repayment of term loans	(257.6)	(684.2)	(257.6)	(1,734.5)
Proceeds from bond issue	370.4	1,215.9	470.8	1,997.1
Repayment of bonds	-	(4.1)	-	(564.1)
Finance lease payments	(8.1)	(4.2)	(15.7)	(8.3)
Net proceeds from borrowings	368.8	524.0	461.6	328.2
Settlement of swap for bonds repaid	-	-	-	(217.6)
Net interest paid on borrowings and swaps	(54.5)	(33.0)	(186.8)	(155.4)
Purchase of performance shares	(6.6)	(14.6)	(8.4)	(37.3)
Final dividends paid to shareholders of the Company	(1,434.3)	(1,273.7)	(1,434.3)	(1,273.7)
Special dividends paid to shareholders of the Company	(1,593.6)	-	(1,593.6)	-
Dividends paid to non-controlling interest	(0.2)	-	(0.2)	-
Repayment of loans to non-controlling interests	-	-	-	(25.1)
Deposit in lieu of bankers' guarantee	(25.4)	-	0.8	-
Proceeds from issue of shares	5.5	0.4	6.8	5.1
Net cash outflow for financing activities	(2,740.3)	(796.9)	(2,754.1)	(1,375.8)
Net change in cash and cash equivalents	(1,836.8)	293.8	(993.8)	486.6
Exchange effects on cash and cash equivalents	(17.0)	21.5	(15.1)	(4.7)
Cash and cash equivalents at beginning of period	3,582.9	1,780.1	2,738.0	1,613.5
Cash and cash equivalents at end of period	1,729.1	2,095.4	1,729.1	2,095.4

‘**’ denotes amount less than S\$0.05 million

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the second quarter and half year ended 30 September 2011*

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

	As at 30 Sep	
	2011 S\$ Mil	2010 S\$ Mil
Fixed deposits	1,166.6	783.8
Cash and bank balances	562.5	1,311.7
<u>Less: Bank overdrafts</u>	-	(0.1)
	<u>1,729.1</u>	<u>2,095.4</u>

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

Note:

On 22 September 2011, SingTel sold certain assets and related business to NetLink Trust, an associated company of the Group (see details on Note 11). As at 30 September 2011, a partial settlement of S\$567.4 million was made by NetLink Trust to SingTel and the remaining balance of S\$1,260.1 million was settled by a unitholder loan.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2011

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 2011. The adoption of the new or revised FRS and Interpretations to FRS which became mandatory from 1 April 2011 did not result in substantial changes to the Group’s accounting policies.

2. OTHER INCOME

Group	Quarter 30 Sep		Half year 30 Sep	
	2011	2010	2011	2010
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Rental income	1.2	1.1	2.4	2.3
Bad trade debts recovered	6.4	4.1	10.2	5.6
Net exchange (loss)/ gain - trade related	(8.4)	5.0	(6.4)	0.1
Net (loss)/ gain on disposal of property, plant and equipment	(0.6)	0.6	(0.3)	0.4
Others	25.6	14.8	49.4	41.6
	24.2	25.6	55.3	50.0

3. DEPRECIATION AND AMORTISATION

Group	Quarter 30 Sep		Half year 30 Sep	
	2011	2010	2011	2010
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	462.3	463.6	931.5	928.7
Amortisation of intangibles	33.0	20.9	66.1	41.4
Amortisation of sale and leaseback income	(0.3)	(2.7)	(0.6)	(3.2)
Amortisation of deferred gain on sale of joint venture company	(0.7)	(0.7)	(1.5)	(1.5)
	494.3	481.1	995.5	965.4

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***4. EXCEPTIONAL ITEMS**

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Exceptional gains				
Foreign exchange gain on a subsidiary's loan payable	-	-	0.5	-
Gain on dilution of interest in associated and joint venture companies	0.3	1.1	1.1	1.4
	0.3	1.1	1.6	1.4
Exceptional losses				
Foreign exchange loss on a subsidiary's loan payable	(3.8)	-	-	-
Provision of ex-gratia payment on staff restructuring	-	-	(23.5)	-
	(3.8)	-	(23.5)	-
	(3.5)	1.1	(21.9)	1.4

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

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Share of AIS' post-tax profits (Jan - Mar 2011) ⁽¹⁾	-	-	54.6	-
Write-back of provisions made in prior period	-	-	7.2	-
Transaction costs on acquisitions	-	-	-	(9.6)
	-	-	61.8	(9.6)

Note:

(1) In the preceding June 2011 quarter, the Group recorded AIS' results for the March 2011 quarter as an exceptional item following the alignment of AIS' reporting period to the Group.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***6. INTEREST AND INVESTMENT INCOME/ (EXPENSE) (NET)**

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Interest income from				
- bank deposits	8.0	6.1	16.9	10.4
- others	0.8	0.2	0.9	0.3
	8.8	6.3	17.8	10.7
Gross dividends from AFS investments	15.8	16.9	16.8	18.0
Fair value losses on hedging instruments	(3.3)	(2.7)	(5.9)	(10.7)
Fair value gains on other investments	-	-	-	0.2
Fair value (losses)/ gains on fair value hedges				
- hedged item	(546.9)	189.6	(446.7)	104.1
- hedged instrument	546.9	(189.6)	446.7	(104.1)
	-	-	-	-
Net exchange gains/ (losses)	6.2	(21.2)	1.9	(9.3)
	27.5	(0.7)	30.6	8.9

7. FINANCE COSTS

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Interest expense on				
- bonds	104.3	78.9	207.1	161.7
- bank loans	2.2	13.6	3.5	23.6
- others	6.2	3.7	10.4	7.1
	112.7	96.2	221.0	192.4
Less: Amounts capitalised	(1.0)	-	(1.0)	-
	111.7	96.2	220.0	192.4
Effects of hedging using interest rate swaps	(13.6)	(10.4)	(28.0)	(19.6)
Unwinding of discounts (including adjustments)	1.8	1.3	3.8	2.6
	99.9	87.1	195.8	175.4

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***8. TAX EXPENSE**

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	177.7	168.5	380.4	339.2
Recognition of deferred tax assets on other temporary differences ⁽¹⁾	(31.7)	(30.5)	(64.4)	(60.5)
Current and deferred tax adjustments in respect of prior years	-	2.5	(0.4)	21.2
	146.0	140.5	315.6	299.9

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	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Impairment of trade receivables	11.6	23.3	33.7	68.0
(Write-back)/ Allowance for inventory obsolescence	(1.8)	3.0	(0.9)	3.6

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2011

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group	Quarter 30 Sep		Half year 30 Sep	
	2011 '000 (Unaudited)	2010 '000 (Unaudited)	2011 '000 (Unaudited)	2010 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,930,012	15,927,457	15,928,702	15,925,396
Adjustment for dilutive effect of share options	2,393	5,007	3,341	5,268
Adjustment for dilutive effect of SingTel Performance Share Plan	41,779	27,179	41,779	27,179
Weighted average number of ordinary shares for calculation of diluted earnings per share	15,974,184	15,959,643	15,973,822	15,957,843

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

11. SALE OF ASSETS AND BUSINESS TO NETLINK TRUST

Group	As at	
	30 Sep 11 S\$ Mil (Unaudited)	31 Mar 11 S\$ Mil (Audited)
Loan to associated company	1,260.1	-
Deferred gain (current)	29.0	-
Deferred gain (non-current)	1,068.5	-
Total deferred gain	1,097.5	-

On 22 July 2011, Singapore Telecommunications Limited (“SingTel”) established a business trust, NetLink Trust, as part of the IDA’s effective open access requirements under Singapore’s Next Generation Nationwide Broadband Network. SingTel then entered into conditional agreements to sell certain infrastructure assets, namely ducts and manholes used by OpenNet Pte. Ltd., a 29.9%-owned associated company of SingTel, and 7 exchange buildings (“Assets”), and SingTel’s business of providing duct and manhole services in relation to the Assets (“Business”), to CityNet Infrastructure Management Pte. Ltd. (“CityNet”) in its capacity as trustee-manager of NetLink Trust, for an aggregate consideration of approximately S\$1.89 billion.

On 22 September 2011, SingTel announced that it has completed its subscription for a further 567,380,000 units at S\$1 each in NetLink Trust. On 28 October 2011, SingTel completed the sale of the Assets and Business to CityNet in the latter’s capacity as trustee-manager of NetLink Trust.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***11. SALE OF ASSETS AND BUSINESS TO NETLINK TRUST (Continued)**

The aggregate consideration paid by NetLink Trust for the purchase of the Assets and Business was financed by the issue of units to SingTel of S\$567.4 million and loans from SingTel of S\$1,325 million. As at 30 September 2011, the loan to NetLink Trust was S\$1,260.1 million. The remaining loan of S\$64.9 million was given on 28 October 2011 upon the completion of the sale.

Although currently 100% owned by SingTel, NetLink Trust is managed and operated by CityNet and hence, equity accounted as an associated company of SingTel. At the consolidated level, the gain on disposal of Assets and Business recorded by SingTel was deferred in the Group's balance sheet and amortised over the useful lives of the Assets. The unamortised deferred gain in the Group's balance sheet will be released to the Group's income statement when NetLink Trust is partially or fully sold, based on the proportionate equity interest disposed.

12. GROUP'S BORROWINGS AND DEBT SECURITIES

Group	As at	
	30 Sep 11 S\$ Mil (Unaudited)	31 Mar 11 S\$ Mil (Audited)
Unsecured borrowings		
Repayable within one year	2,752.2	2,672.6
Repayable after one year	5,318.9	4,544.1
	8,071.1	7,216.7
Secured borrowings		
Repayable within one year	25.1	26.3
Repayable after one year	132.0	42.6
	157.1	68.9
	8,228.2	7,285.6

Secured borrowings comprised finance lease liabilities, including lease liabilities in respect of certain assets leased from NetLink Trust.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2011

13. DETAILS OF MATERIAL ASSOCIATED AND JOINT VENTURE COMPANIES

	Contribution to net profit after tax			
	Equity interest as at		Quarter	
	30 Sep		30 Sep	
	2011	2010	2011	2010
%	%	S\$ Mil	S\$ Mil	
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Equity accounted associated and joint venture companies				
PT Telekomunikasi Selular	35.0	35.0	174.3	171.7
Bharti Airtel Limited	32.3	32.0	83.5	149.5
Advanced Info Service Public Company Limited	21.3	21.3	53.4	46.3
Globe Telecom, Inc.	47.3	47.3	33.8	33.9
Others			2.6	10.0
			347.6	411.4

	Contribution to net profit after tax			
	Equity interest as at		Half year	
	30 Sep		30 Sep	
	2011	2010	2011	2010
%	%	S\$ Mil	S\$ Mil	
(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	
Equity accounted associated and joint venture companies				
PT Telekomunikasi Selular	35.0	35.0	331.2	335.8
Bharti Airtel Limited	32.3	32.0	186.6	313.6
Advanced Info Service Public Company Limited ⁽¹⁾	21.3	21.3	161.2	93.9
Globe Telecom, Inc.	47.3	47.3	68.0	64.5
Others			15.6	12.4
			762.6	820.2

Note:

(1) AIS' contribution to net profit after tax in the current half year included an additional quarter of results following the alignment of its reporting period to the Group.

The details of associated and joint venture companies are set out in Note 26 and Note 27 to the financial report respectively.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***14. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

Group and Company	30 Sep 11	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at 1 July 2011	15,936.6	2,624.1
Issue of shares on exercise of share options	3.8	5.5
Balance as at 30 September 2011	15,940.4	2,629.6

(a) Changes to share capital

In the current quarter ended 30 September 2011, the Company issued 3,756,000 ordinary shares upon the exercise of 3,756,000 share options under the Singapore Telecom Share Option Scheme 1999 (at exercise prices of between S\$1.31 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 2011 was 3,581,950 (30 September 2010: 9,544,450).

(c) Performance shares

The number of outstanding performance shares under the SingTel Performance Share Plan as at 30 September 2011 was 69,543,137 (30 September 2010: 62,060,416).

15. DIVIDENDS

On 9 November 2011, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2011: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the current financial year ending 31 March 2012.

The financial statements for the half year ended, and as at, 30 September 2011 do not reflect this interim dividend. The dividend will be accounted for in the shareholders' equity as an appropriation of Retained Earnings in the next quarter ending 31 December 2011.

In the half year ended 30 September 2011, a final one-tier exempt ordinary dividend of 9.0 cents per share and a special one-tier exempt dividend of 10.0 cents per share, totalling S\$3.03 billion were paid in respect of the previous financial year ended 31 March 2011.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2011***16. NET ASSET VALUE**

	Group		Company	
	As at		As at	
	30 Sep 11 (Unaudited)	31 Mar 11 (Audited)	30 Sep 11 (Unaudited)	31 Mar 11 (Audited)
Net asset value per ordinary share	<u>141.07¢</u>	152.75¢	<u>61.83¢</u>	56.58¢

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.

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

As at 30 September 2011,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$585.9 million and S\$425.3 million (31 March 2011: S\$583.6 million and S\$389.6 million) respectively.
- (ii) The Company provided guarantees for loans of S\$450 million (31 March 2011: S\$450 million) drawn down under various loan facilities entered into by SingTel Group Treasury Pte. Ltd. ("**SGT**") with maturities between September 2012 and November 2013. The Company also provided guarantees of an aggregate amount of equivalent of S\$1.86 billion comprising SGT's notes issue of S\$250 million, S\$600 million, US\$100 million, US\$600 million and HK\$620 million, due between July 2016 and September 2021.
- (iii) The Company provided a guarantee for US\$90 million (S\$117 million) (31 March 2011: US\$90 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")

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 2011

17. CONTINGENT LIABILITIES**(b) Appeal against the decision by Komisi Pengawas Persaingan Usaha Republik Indonesia (“KPPU”) (Republic of Indonesia Commission for Supervision of Business Competition) (the “Commission”)**

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.

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.

On 12 January 2011, SingTel and SingTel Mobile received official notification that the civil review applications have been rejected. SingTel and SingTel Mobile maintain that they have complied with all the laws of Indonesia. However, in February 2011, SingTel and SingTel Mobile paid the fines with due respect to the Indonesian Courts, without prejudice to their rights under International Law.

(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 2011

18. SIGNIFICANT DISPUTES AT JOINT VENTURE COMPANIES

- (a) The Group holds an equity interest of 21.3% in Advanced Info Service Public Company Limited (“**AIS**”).

Revenue share disputes arising from abolishment of excise tax

In January 2008, TOT Public Company Limited (“**TOT**”) and CAT Telecom Public Company Limited (“**CAT**”) demanded additional payments of revenue share from AIS and its subsidiary, Digital Phone Company Limited (“**DPC**”) respectively.

CAT had submitted its case against DPC to arbitration and the Arbitral Tribunal has dismissed CAT’s case against DPC on 1 March 2011. On 3 June 2011, CAT began proceedings to appeal against the Arbitral Tribunal’s decision in the Central Administrative Court.

On 20 May 2011, the Arbitral Tribunal dismissed TOT’s claim against AIS for additional revenue share. On 22 September 2011, TOT submitted its case to the Central Administrative Court to appeal against the Arbitral Tribunal’s award.

TOT’s demand for additional revenue shares

On 2 February 2011, AIS received demand letters from TOT for additional payments of revenue share, penalties and surcharges to be paid by 15 February 2011. The first demand amounted to THB 36,996 million (SingTel’s equity share: S\$328 million) plus interest at 7.5% per annum and value added tax for reduction of revenue sharing rate on prepaid services and deduction of roaming cost from the revenue share payment to TOT. The second demand amounted to THB 36,817 million (SingTel’s equity share: S\$327 million) plus interest at 7.5% per annum and value added tax due to the deduction of excise tax from the revenue share payment to TOT.

AIS’ management believes that the demands shall have no material impact to its financial statements because it is not obligated to make any additional payments as demanded by TOT. On 4 February 2011, AIS sent a letter to TOT opposing such demands. On 11 February 2011, AIS submitted TOT’s claim for additional revenue share in relation to the first demand to arbitration.

On 26 August 2011, TOT informed AIS of the cancellation of its first demand due to its misunderstanding of the facts. On 3 October 2011, AIS requested the withdrawal of this dispute which was approved by the Arbitration Institute on 6 October 2011.

The second demand, which is a duplicate of the TOT’s demand for additional revenue share arising from the abolishment of excise tax, has been dismissed by the Arbitration Tribunal on 20 May 2011. On 22 September 2011, TOT submitted its case to the Central Administrative Court to appeal against the Arbitral Tribunal’s award.

On 26 January 2011, TOT sent a letter demanding AIS to pay additional revenue share based on gross interconnection income received from 2007 to 2010 of THB 17,803 million (SingTel’s equity share: S\$158 million) plus interest at the rate of 1.25% per month. AIS sent a letter opposing the said claim to TOT on 21 February 2011. On 9 March 2011, AIS submitted the dispute to arbitration.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2011

18. SIGNIFICANT DISPUTES AT JOINT VENTURE COMPANIESTOT's demand for access charge

On 9 May 2011, TOT submitted a case to the Central Administrative Court against CAT as first defendant and DPC as second defendant demanding access charge amounting to THB 2,954 million (SingTel's equity share: S\$26 million) plus interest. This case is pending.

AIS' management believes that the case has no material impact to its financial statements because DPC has correctly and fully complied with the law and the relevant agreements in all respects.

- (b) Bharti Airtel Limited ("**Bharti**"), a 32.3% joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

As at 30 September 2011, the taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately INR 34.7 billion (SingTel's equity share: S\$296 million). In respect of some of the tax issues, pending final decisions, Bharti had deposited amounts with statutory authorities.

Bharti is defending its positions vigorously.

- (c) Globe Telecom, Inc. ("**Globe**"), a 47.3% joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe's management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on the Globe Group's financial position and results of operations.
- (d) As at 30 September 2011, Telkomsel, a 35% joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 1,262 billion (SingTel's equity share: S\$65 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which are not presently determinable.

19. ASSOCIATED COMPANY- PROPOSED RESTRUCTURING OF LOAN FACILITIES

Warid Telecom (Private) Limited ("**Warid**"), an associated company in which the SingTel Group has a 30% equity interest, is currently in discussions with certain of its lenders in relation to a proposed restructuring of its loan facilities. As at 30 September 2011, the outstanding principal amounted to approximately US\$752 million, and was secured by a floating charge on Warid's assets. In addition, US\$90 million of these loan facilities was guaranteed by SingTel (see Note 17 (a)(iii)) and US\$512 million was secured by guarantees of the other shareholder group of Warid.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2011

20. 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 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. Assets managed at corporate level include cash and bank balances, fixed deposits and AFS investments.

20. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2011*

Group - 2011 (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	3,158.5	6,056.3	-	-	9,214.8	-	9,214.8
Segment results	816.9	709.9	-	-	1,526.8	(44.1)	1,482.7
Other income	20.9	33.2	-	-	54.1	1.2	55.3
Profit/ (Loss) before exceptional items	837.8	743.1	-	-	1,580.9	(42.9)	1,538.0
Exceptional items	-	(23.5)	-	-	(23.5)	1.6	(21.9)
Profit/ (Loss) on operating activities	837.8	719.6	-	-	1,557.4	(41.3)	1,516.1
Share of results of associated and joint venture companies							
- Bharti	-	-	186.6	-	186.6	-	186.6
- Telkomsel	-	-	331.2	-	331.2	-	331.2
- Globe	-	-	68.0	-	68.0	-	68.0
- AIS	-	-	161.2	-	161.2	-	161.2
- Others	-	-	15.6	-	15.6	-	15.6
	-	-	762.6	-	762.6	-	762.6
Profit/ (Loss) before interest, investment income (net) and tax	837.8	719.6	762.6	-	2,320.0	(41.3)	2,278.7
Interest and investment income (net)	-	13.5	-	-	13.5	17.1	30.6
Finance costs	-	(88.6)	-	-	(88.6)	(107.2)	(195.8)
Profit/ (Loss) before tax	837.8	644.5	762.6	-	2,244.9	(131.4)	2,113.5
Segment assets							
Investment in associated and joint venture companies							
- Bharti	-	-	4,882.9	-	4,882.9	-	4,882.9
- Telkomsel	-	-	3,204.5	-	3,204.5	-	3,204.5
- Globe	-	-	1,033.7	-	1,033.7	-	1,033.7
- AIS	-	-	317.3	-	317.3	-	317.3
- Others	-	-	507.9	-	507.9	-	507.9
	-	-	9,946.3	-	9,946.3	-	9,946.3
Goodwill on acquisition of subsidiaries	81.9	9,569.6	-	-	9,651.5	-	9,651.5
Other assets	6,262.6	14,873.8	-	(3,655.5)	17,480.9	1,980.6	19,461.5
	6,344.5	24,443.4	9,946.3	(3,655.5)	37,078.7	1,980.6	39,059.3

20. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2011*

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
- AIS	-	-	64.5	-	64.5	-	64.5
- Globe	-	-	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

OTHER INFORMATION

21. The financial position as at 30 September 2011 and the results, statements of changes in equity and cash flows for the second quarter and half year ended 30 September 2011 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 report on page 35 of this announcement).

22. **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 2011.

23. **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 2011.

24. **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 2011.

25. **SUBSEQUENT EVENT**

On 4 November 2011, SingTel announced that its wholly-owned subsidiary, SingTel Strategic Investments Pte Ltd, has entered into a conditional share sale and purchase agreement with Shin Corporation Public Company Limited ("**Shin**"). Pursuant to this agreement, Shin agreed to sell and SingTel agreed to purchase 61 million ordinary shares, constituting approximately 2.05% of the issued share capital of AIS, subject to certain conditions being met, including applicable regulatory approvals and the approval of the shareholders of Shin for the sale at an extraordinary general meeting. Upon completion of this acquisition, SingTel's interest in AIS will increase from 21.27% to 23.32%. The aggregate consideration, payable in cash, will be between THB 7.259 billion (approximately S\$300 million) to THB 7.930 billion (approximately S\$328 million).

26. ASSOCIATED COMPANIES OF THE GROUP

Name of Company	Percentage of effective equity held by the Group as at	
	30 Sep 11 %	30 Sep 10 %
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
Infoserve Technology Corp.	25.0	25.0
NetLink Trust ⁽¹⁾	100.0	-
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

Note:

(1) The Group regarded NetLink Trust, a business trust registered under the Business Trusts Act, as an associated company, notwithstanding that it held 100% of the units in NetLink Trust, as it does not have effective control over the trust.

27. JOINT VENTURE COMPANIES OF THE GROUP

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 11 %	30 Sep 10 %
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 Cables Ship 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	32.3	32.0
Bharti Telecom Limited	36.2	36.2
Bridge Mobile Pte Ltd	33.6	33.6

27. JOINT VENTURE COMPANIES OF THE GROUP (Continued)

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 11 %	30 Sep 10 %
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

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 2011 to be false or misleading.

On behalf of the Board of Directors

Fang Ai Lian
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
9 November 2011

INDEPENDENT AUDITORS' REVIEW REPORT

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 2011****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("SingTel" or the "Company") as of 30 September 2011 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 2011 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
9 November 2011