



Singapore Telecommunications Limited And Subsidiary Companies

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 MARCH 2012

The financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards, which are the same, in material respects, to International Financial Reporting Standards. The financial statements for the year ended, and as at, 31 March 2012 are audited.

Numbers in all tables may not exactly add due to rounding.

For all pages, "@" denotes more than +/- 500%, "" denotes less than +/- S\$500,000 or A\$500,000 and "***" denotes less than +/- 0.05%, unless otherwise indicated.*

For all tables, a negative sign for year-on-year change denotes a decrease in operating revenue, expense, gain or loss.

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SECTION I : GROUP

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2012**

- **Operating revenue at S\$4.78 billion – up 3.0%.**
- **EBITDA (from Singapore and Australia) at S\$1.43 billion – up 2.7%.**
- **Associates' ordinary pre-tax contributions at S\$539 million – up 4.8%.**
- **EBITDA and share of associates' pre-tax profits at S\$1.95 billion – up 2.5%.**
- **Net profit at S\$1.29 billion – up 30%, after an exceptional net tax credit of S\$270 million.**
- **Free cash flow of S\$999 million – lower by 15%, and comprised S\$377 million from the Singapore business, S\$493 million (A\$370 million) from the Australia business and S\$129 million from the associates.**

FOR THE YEAR ENDED 31 MARCH 2012

- **Operating revenue at S\$18.83 billion – up 4.2%.**
- **EBITDA at S\$5.22 billion – up 1.9%.**
- **Associates' pre-tax contributions at S\$2.01 billion – down 6.4%. In constant currency terms and excluding fair value adjustments, associates' pre-tax contributions would be up 2.3%.**
- **EBITDA and share of associates' pre-tax profits stable at S\$7.22 billion.**
- **Net profit at S\$3.99 billion – up 4.3%.**
- **Free cash flow of S\$3.46 billion – lower by 14% with AIS' special dividends received last year, and comprised S\$1.17 billion from the Singapore business, S\$1.45 billion (A\$1.11 billion) from the Australia business and S\$841 million from the associates.**

SECTION I : GROUP

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Operating revenue	4,780	4,643	3.0	18,825	18,071	4.2
Operating expenses	(3,368)	(3,282)	2.6	(13,710)	(13,082)	4.8
EBITDA	1,430	1,392	2.7	5,219	5,119	1.9
<i>EBITDA margin</i>	29.9%	30.0%		27.7%	28.3%	
Share of associates' pre-tax profits	524	514	1.9	2,005	2,141	-6.4
- operating results	539	514	4.8	2,013	2,150	-6.4
- exceptional items	(15)	-	nm	(8)	(9)	-13.2
EBITDA and share of associates' pre-tax profits	1,953	1,906	2.5	7,223	7,260	-0.5
Exceptional items	(4)	(6)	-33.3	86	25	241.1
Underlying net profit	1,023	998	2.5	3,676	3,800	-3.3
Net profit	1,289	992	30.0	3,989	3,825	4.3
Free cash flow	999	1,175	-15.0	3,462	4,038	-14.3
Underlying earnings per share (S cents)	6.42	6.26	2.6	23.07	23.86	-3.3
Basic earnings per share (S cents)	8.09	6.23	29.9	25.04	24.02	4.2

	As at		
	31 Mar	31 Dec	31 Mar
	2012 S\$ m	2011 S\$ m	2011 S\$ m
Total assets	40,418	39,772	39,282
Shareholders' funds	23,428	22,177	24,328
Net debt ⁽¹⁾	7,860	7,693	6,023
<i>Net debt gearing ratio</i> ⁽²⁾	25.1%	25.7%	19.8%
<i>Net debt to EBITDA and share of associates' pre-tax profits</i> ⁽³⁾	1.09X	1.10X	0.83X
<i>Interest cover:</i>			
- <i>EBITDA and share of associates' pre-tax profits/ net interest expense</i> ⁽⁴⁾	20.7X	19.6X	21.8X

Notes:

- (1) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.
- (2) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
- (3) Net debt to EBITDA and share of associates' pre-tax profits is calculated on an annualised basis.
- (4) Net interest expense refers to interest expense less interest income.

SECTION I : GROUP

GROUP SUMMARY INCOME STATEMENTS
For The Fourth Quarter And Year Ended 31 March 2012

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Operating revenue	4,780	4,643	3.0	18,825	18,071	4.2
Operating expenses	(3,368)	(3,282)	2.6	(13,710)	(13,082)	4.8
	1,413	1,360	3.8	5,116	4,989	2.5
Other income	17	32	-46.5	103	130	-20.7
EBITDA	1,430	1,392	2.7	5,219	5,119	1.9
- <i>EBITDA margin</i>	29.9%	30.0%		27.7%	28.3%	
Share of associates' pre-tax profits						
- operating results	539	514	4.8	2,013	2,150	-6.4
- exceptional items	(15)	-	nm	(8)	(9)	-13.2
	524	514	1.9	2,005	2,141	-6.4
EBITDA and share of associates' pre-tax profits	1,953	1,906	2.5	7,223	7,260	-0.5
Depreciation & amortisation	(508)	(500)	1.5	(2,002)	(1,969)	1.7
EBIT	1,446	1,406	2.8	5,222	5,291	-1.3
Net finance expense						
- net interest expense	(80)	(86)	-6.5	(350)	(334)	4.7
- other finance (expense)/ income	(13)	(6)	124.6	9	10	-9.3
	(93)	(92)	1.6	(341)	(324)	5.2
Profit before exceptional items	1,353	1,314	2.9	4,881	4,967	-1.7
Exceptional items	(4)	(6)	-33.3	86	25	241.1
Profit before tax	1,349	1,308	3.1	4,967	4,993	-0.5
Taxation						
- ordinary tax expense	(330)	(317)	4.2	(1,205)	(1,170)	3.0
- exceptional tax credit	270	-	nm	227	-	nm
	(60)	(317)	-81.1	(978)	(1,170)	-16.4
Profit after tax	1,289	992	29.9	3,990	3,823	4.4
Minority interests	*	*	nm	(1)	3	nm
Net profit	1,289	992	30.0	3,989	3,825	4.3
Net profit	1,289	992	30.0	3,989	3,825	4.3
<i>Exclude:</i>						
Exceptional items	4	6	-33.3	(86)	(25)	241.1
Exceptional tax credit	(270)	-	nm	(227)	-	nm
Underlying net profit	1,023	998	2.5	3,676	3,800	-3.3

Notes:

- (1) Unless otherwise stated, the presentation of income statements in this document is consistent with prior periods. For income statements presented in accordance with FRS 1, **Presentation of Financial Statements**, please refer to "SGX Appendix 7.2 Announcement".
- (2) See **Appendix 2** for the summary income statements of the various businesses for the fourth quarter and year ended 31 March 2012.

SECTION I : GROUP

DIVISIONAL TOTALS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Operating revenue by division:						
Singapore Telco	1,277	1,231	3.8	5,058	4,867	3.9
IT and Engineering	440	430	2.3	1,493	1,534	-2.6
Singapore Business	1,717	1,661	3.4	6,551	6,401	2.3
Optus	3,063	2,982	2.7	12,275	11,670	5.2
Group	4,780	4,643	3.0	18,825	18,071	4.2
EBITDA by division:						
Singapore Telco	480	469	2.5	1,974	1,986	-0.6
IT and Engineering	95	82	15.3	268	267	0.3
Singapore Business	575	551	4.4	2,242	2,253	-0.5
Optus	902	862	4.6	3,091	2,937	5.2
Group and Int'l business net corporate costs	(48)	(21)	125.1	(114)	(71)	61.6
Group	1,430	1,392	2.7	5,219	5,119	1.9
EBITDA margins by division:						
<i>Singapore Telco</i>	<i>37.6%</i>	<i>38.1%</i>		<i>39.0%</i>	<i>40.8%</i>	
<i>IT and Engineering</i>	<i>21.5%</i>	<i>19.1%</i>		<i>17.9%</i>	<i>17.4%</i>	
Singapore Business	33.5%	33.2%		34.2%	35.2%	
Optus	29.5%	28.9%		25.2%	25.1%	
Group	29.9%	30.0%		27.7%	28.3%	

FINAL DIVIDEND

The Directors have proposed a final ordinary dividend of 9.0 cents per share (FY2011: 9.0 cents per share), totalling approximately S\$1.43 billion in respect of the current financial year ended 31 March 2012.

Together with the interim dividend of 6.8 cents per share amounting to S\$1.08 billion paid in the quarter, the total amount of ordinary dividends in respect of the current financial year ended 31 March 2012 would be 15.8 cents per share (FY2011: 15.8 cents per share), totalling approximately S\$2.52 billion. This represented a payout ratio of 68% of underlying net profit, and 83% of the Group's free cash flow after interest and tax payments.

SECTION I : GROUP

REVIEW OF GROUP OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2012

Operating revenue grew 3.0% to S\$4.78 billion while EBITDA increased 2.7%, lifted by the 4% strengthening of the Australian Dollar from a year ago.

In Singapore, Mobile Communications revenue grew 5.1% on increased customer connections. Total mobile customer base grew by 31,000 in the quarter to 3.58 million, up 8.3% from a year ago. Postpaid net additions for the year reached a record 171,000, driven mainly by higher smartphone connections and data SIMs take-up from integrated mobile broadband bundles. IT and Engineering revenue increased 2.3% with growth from NCS partially offsetting lower fibre rollout revenue as OpenNet reached peak rollout. Excluding fibre rollout, the Singapore Business' revenue grew 3.9% from a year ago.

In Australia, Optus' revenue was impacted by the mandated reduction in the mobile termination rates from 9 cents to 6 cents per minute with effect from 1 January 2012. It was also impacted by service credits for the device repayment plans introduced in the preceding quarter. Consequently, Optus' revenue fell 1.1% and mobile service revenue fell 2.4%. Optus continued its postpaid customer growth momentum with 82,000 net additions in the quarter, and the total mobile customer base reached 9.49 million as at 31 March 2012. In Business and Wholesale fixed, revenue was up 6.1% driven by strong satellite, ICT and managed services growth. Revenue from Consumer and SMB fixed, however, declined 5.5% primarily due to lower broadband ARPU. Optus' translated revenue in Singapore Dollars grew 2.7% from a year ago as the Australian Dollar strengthened by 4%.

The Group's EBITDA rose 2.7% to S\$1.43 billion underpinned by growth in the Singapore Business and the stronger Australian Dollar. EBITDA in the Singapore Business, excluding payments to NetLink Trust¹ grew 5.9% on careful cost management. Optus' EBITDA was stable in Australian Dollar terms, and grew 4.6% in Singapore Dollar terms.

The Group and its regional mobile associates continued to register strong customer growth. As at 31 March 2012, the combined mobile customer base reached 445 million, up 11% from a year ago.

The Group's share of associates' ordinary pre-tax earnings grew 4.8% to S\$539 million, a turnaround from previous quarters' decline mainly on higher contributions from Telkomsel and AIS. Excluding the currency translation impact and the associates' fair value adjustments, the associates' ordinary pre-tax contributions would have increased by a higher 13%.

Telkomsel and AIS recorded robust revenue growth and higher profits amid stable market conditions. In the Philippines, Globe registered revenue growth in mobile and broadband but profit declined with higher network related costs as well as marketing and subsidy expenses. In South Asia, Airtel recorded higher revenue and EBITDA in a highly competitive market, underpinned by increased customer additions and strong mobile traffic growth in India. Earnings were, however, impacted by 3G rollout costs in India as well as increased fair value losses. Airtel Africa posted robust double-digit revenue and EBITDA growth on the back of network expansion and growing customer base. Airtel's total customer base crossed the 250-million mark across 20 countries as at 31 March 2012, and it was the first to launch 4G TD-LTE services in India.

¹ NetLink Trust, a 100%-owned business trust, is equity accounted as an associate in the Group, hence the payments to NetLink Trust are not eliminated on a line-by-line basis.

SECTION I : GROUP

The Group's EBITDA and share of associates' pre-tax profits increased 2.5% to S\$1.95 billion.

In this quarter, the Group recorded an exceptional net tax credit of S\$270 million on the increase in value of assets transferred to an associate. Excluding this tax credit, the tax expense would have increased 4.2% with Airtel's higher taxes.

With lower tax expense, net profit for the quarter increased 30% to S\$1.29 billion. Excluding exceptional and one-off items, underlying net profit increased by 2.5% to S\$1.02 billion.

Free cash flow was S\$1 billion, 15% lower than a year ago with lower operating cash flow in Singapore as well as higher capital expenditure in both Singapore and Australia.

The Group continued to maintain a healthy capital structure. As at 31 March 2012, net debt gearing ratio was at approximately 25.1%, comparable to a quarter ago.

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for 77% (Q4 FY2011: 77%) of the Group's proportionate revenue and 79% (Q4 FY2011: 78%) of the Group's proportionate EBITDA.

For The Year Ended 31 March 2012

The Group's performance was generally in line with the guidance issued during the last financial year.

Operating revenue for the year grew 4.2% to S\$18.83 billion on mobile service revenue growth from Singapore and Australia and lifted by the 4% strengthening of the Australian Dollar from a year ago.

EBITDA was up 1.9% to S\$5.22 billion, with growth in Optus' EBITDA and the stronger Australian Dollar. EBITDA in Singapore was stable with investments in mio TV content and higher mobile customer connections.

However, the Group's EBITDA and share of associates' pre-tax profits were flat at S\$7.22 billion as the associates' pre-tax contributions declined 6.4% mainly due to lower earnings from Airtel mainly from 3G initial losses in India.

Net profit increased 4.3% to S\$3.99 billion after including the exceptional net tax credit on transfer of assets to an associate. Excluding exceptional and one-off items of S\$313M, underlying net profit declined 3.3% to S\$3.68 billion.

The Group's free cash flow for the year totalled S\$3.46 billion and was 14% lower due to higher capital expenditure and special dividends received from AIS a year ago.

SECTION I : GROUP**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2011 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2012 S\$ m	31 Dec 2011 S\$ m	
Operating revenue	4,780	4,830	-1.0
Singapore Business	1,717	1,675	2.5
Optus	3,063	3,155	-2.9
Operating expenses	(3,368)	(3,606)	-6.6
EBITDA	1,430	1,256	13.8
EBITDA margin	29.9%	26.0%	
Singapore Business	33.5%	32.7%	
Optus	29.5%	23.2%	
Share of associates' pre-tax profits	524	475	10.2
EBITDA and share of associates' pre-tax profits	1,953	1,731	12.8
Profit before exceptional items and tax	1,353	1,150	17.6
Underlying net profit	1,023	895	14.4
Net profit	1,289	902	42.9
Free cash flow	999	634	57.5

The Group's EBITDA rose 14% with growth from both Singapore and Australia. EBITDA in the Singapore Business increased mainly from lower mobile customer connection costs. Optus also recorded EBITDA gains on seasonal factors including lower mobile customer acquisition costs.

With improved EBITDA and higher share of associates' pre-tax profits, underlying net profit grew 14% from a quarter ago.

Free cash flow was 58% higher compared to a quarter ago driven by higher operating cash flow and dividend receipts from associates.

SECTION I : GROUP

OUTLOOK FOR THE NEXT FINANCIAL YEAR ENDING MARCH 2013

Macro-economic environment

The Singapore economy is projected to grow at 1.0% to 3.0% in 2012, after a 4.9% growth in 2011. In Australia, average GDP growth is expected to be around 3.0% to 3.5% in the fiscal year ending June 2013, against 2.75% forecasted for the fiscal year to June 2012. India and Indonesia are forecasted to deliver GDP growth of approximately 7% and 6% respectively.

Bharti's key markets in Africa, namely DRC, Gabon, Nigeria, Tanzania and Zambia, are poised to deliver GDP growth rates of 5% to 7%.

Inflationary pressures are expected to persist in some of these markets, particularly in India and the African countries.

Strategic focus

SingTel will be executing to transform its business to sustain competitiveness, innovation and growth into the future.

From 1 April 2012, SingTel is organised by customer segments to better serve the evolving needs of its customers and to exploit growth opportunities globally.

SingTel's key focus areas are:

- Reinvent its core carriage business by driving scale synergies and efficiency gains to deliver differentiated value-added services enabled by next generation networks and technology;
- Create new growth platforms that leverage and strengthen the core, through complementary digital content and services that are relevant and personalised to customers; and
- Enhance its ICT products and delivery capabilities to entrench leadership in the regional markets.

To support these objectives, SingTel may make strategic investments to gain important capabilities, drive growth in adjacent industries and extend the Group's customer relationships. SingTel will also review opportunities to increase its stakes in the associates and will be financially disciplined in the evaluation of investment opportunities.

Outlook

Group Consumer

Revenue from Group Consumer is expected to grow at low single digit level, driven by mobile. Revenue from Mobile Communications, which extends across Group Consumer and Group ICT, is anticipated to grow at low single digit level, with key initiatives to drive customer acquisition and improve yield, mitigating the impact of lower mobile termination rates in Australia.

SECTION I : GROUP

Group ICT

Group ICT expects to deliver low single digit revenue growth, through increased contribution from IP-VPN, managed services, cloud and mobility solutions. The growth is partially offset by a projected slowdown in ICT spend and increased competition in Singapore with the completion of the NextGen NBN.

Group Digital Life

Group Digital Life will invest in new growth platforms and deliver innovative digital services that will complement the Group's existing offerings through bundles and add-ons. It will focus on long term strategic plans to deliver distinctive global products for emerging and developed markets. As a result of these investments, Group Digital Life is expected to deliver strong revenue growth, but register start-up losses.

Group

Consolidated revenue for the Group is projected to grow at low single digit level and EBITDA is expected to be stable.

Free cash flow for the Group (excluding dividends from associates) is estimated to be around S\$2.6 billion, with higher capital expenditure.

Capital expenditure in Singapore is forecasted to be around S\$950 million, an increase from the current financial year, reflecting investments in 4G network and 3G network enhancements, as well as the expansion of Kim Chuan Data Centre.

Excluding spectrum payments, capital expenditure in Australia is expected to be approximately A\$1.1 billion, with continued investments in the mobile network, including Optus' 4G rollout.

Revenues for Singapore and Australia are expected to grow at low single digit levels, while EBITDA remains stable for both operations. Continued investments will be made in mobile acquisition and retention, as well as Digital Life initiatives.

Associates

In India, Airtel will leverage its leadership position to drive adoption of 3G services and capture emerging opportunities in mobile data services, while continuing to grow voice usage in the rural areas of India where mobile penetration remains low. In Africa, Airtel will continue to build robust networks and expand its distribution to sustain growth momentum.

Telkomsel will expand broadband coverage to more cities to grow mobile data services, supported by initiatives to improve customer experience and introduction of compelling data content and applications.

Ordinary dividends from the regional mobile associates are expected to grow.

SECTION I : GROUP

Currency

The Group's consolidated revenue and EBITDA may be impacted by material exchange rate movements in the Australian Dollar and regional currencies. The Group's outlook for the next financial year has incorporated these market forward exchange rates:

Australian Dollar	AUD 1	:	SGD 1.3068
Indonesian Rupiah	SGD 1	:	IDR 7,380
Indian Rupee	SGD 1	:	INR 40.8
Thailand Baht	SGD 1	:	THB 25.1
Philippine Peso	SGD 1	:	PHP 34.3

Dividend policy

SingTel's dividend payout ratio ranges from 55% to 70% of underlying net profit.

The Group will continue to review at least on a three-year basis its cash needs for operations and growth, with a view to returning surplus cash to shareholders. This is consistent with the Group's commitment to an optimal capital structure and investment grade credit ratings, while maintaining financial flexibility.

SECTION I : GROUP

GROUP OPERATING REVENUE

By Products And Services	Quarter				YOY Chge %	Year		YOY Chge %
	31 Mar					31 Mar		
	2012		2012	2011		2012	2011	
	S'pore Business S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m		Group S\$ m	Group S\$ m	
Mobile communications	478	1,555	2,033	1,993	2.0	8,174	7,720	5.9
Data and Internet	403	505	908	902	0.7	3,577	3,487	2.6
IT and Engineering	440	169	610	560	8.9	2,067	2,027	2.0
National telephone	86	379	464	467	-0.5	1,851	1,886	-1.9
Sale of equipment	91	301	392	387	1.4	1,706	1,557	9.5
International telephone	125	76	201	207	-3.1	818	853	-4.1
Pay television	29	25	54	47	13.9	205	184	11.3
Others ⁽¹⁾	66	53	119	80	48.6	428	357	20.0
Total	1,717	3,063	4,780	4,643	3.0	18,825	18,071	4.2
Operating revenue			4,780	4,643	3.0	18,825	18,071	4.2
Associates' proportionate revenue ⁽²⁾			2,886	2,698	7.0	11,279	10,471	7.7
Group's proportionate revenue			7,666	7,341	4.4	30,104	28,542	5.5

Notes:

(1) Include revenues from maritime and land mobile, and lease of satellite transponders.

(2) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by SingTel's effective ownership interest.

Operating Revenue Mix By Services	Quarter		Year	
	31 Mar		31 Mar	
	2012	2011	2012	2011
	Mix	Mix	Mix	Mix
Mobile communications	42.5%	42.9%	43.4%	42.7%
Data and Internet	19.0%	19.4%	19.0%	19.4%
IT and Engineering	12.8%	12.1%	11.0%	11.2%
National telephone	9.7%	10.1%	9.8%	10.4%
Sale of equipment	8.2%	8.3%	9.1%	8.6%
International telephone	4.2%	4.5%	4.3%	4.7%
Pay television	1.1%	1.0%	1.1%	1.0%
Others	2.5%	1.7%	2.3%	2.0%
	100.0%	100.0%	100.0%	100.0%

Mobile Communications, the key contributor to revenue growth, contributed 43% to total revenue, comparable to a year ago.

The Group's enlarged revenue, including the proportionate share of operating revenue from the associates, grew 4.4% to S\$7.67 billion.

SECTION I : GROUP**GROUP OPERATING EXPENSES
(Before Depreciation And Amortisation)**

	Quarter					YOY Chge %	Year		YOY Chge %
	31 Mar						31 Mar		
	2012			2012	2011		2012	2011	
	S'pore Business S\$ m	Optus S\$ m	Corp S\$ m	Group S\$ m	Group S\$ m		Group S\$ m	Group S\$ m	
Selling & administrative	346	763	18	1,127	1,147	-1.7	4,825	4,701	2.6
Cost of sales	316	462	-	778	773	0.7	3,135	2,963	5.8
Traffic expenses	221	537	-	757	713	6.3	3,092	2,881	7.3
Staff costs	239	368	19	626	564	10.9	2,313	2,197	5.3
Repair & maintenance	34	47	*	81	81	0.1	329	322	2.0
Others	(5)	4	*	(1)	5	nm	16	18	-10.3
Total	1,150	2,180	38	3,368	3,282	2.6	13,710	13,082	4.8

As a percentage of operating revenue	Quarter		Year	
	31 Mar		31 Mar	
	2012	2011	2012	2011
Selling & administrative	23.6%	24.7%	25.6%	26.0%
Cost of sales	16.3%	16.6%	16.7%	16.4%
Traffic expenses	15.8%	15.3%	16.4%	15.9%
Staff costs	13.1%	12.1%	12.3%	12.2%
Repair & maintenance	1.7%	1.7%	1.7%	1.8%
Others	**	0.1%	0.1%	0.1%
	70.4%	70.7%	72.8%	72.4%

Selling & administrative expenses, the largest expense category at 24% of operating revenue, declined 1.7% compared to a year ago mainly due to lower customer acquisition costs in Australia.

SECTION I : GROUP**GROUP NET FINANCE EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Net interest expense:						
- Interest income	7	8	-13.3	29	34	-15.1
- Interest expense	(92)	(94)	-1.7	(389)	(368)	5.9
	(85)	(86)	-0.7	(360)	(334)	8.0
- Net interest income from NetLink Trust	5	-	nm	11	-	nm
	(80)	(86)	-6.5	(350)	(334)	4.7
Other finance (expense)/ income:						
- Investment gain ⁽¹⁾	*	-	nm	19	20	-5.6
- Net foreign exchange loss	(14)	(5)	158.5	(10)	(6)	87.3
- FRS 39 fair value adjustments ⁽²⁾	1	*	nm	1	(4)	nm
	(13)	(6)	124.6	9	10	-9.3
Net finance expense	(93)	(92)	1.6	(341)	(324)	5.2

Notes:

(1) Comprise mainly dividend income from available-for-sale investments.

(2) Comprise mainly adjustments for hedging instruments measured at fair values at reporting date under FRS 39, *Financial Instruments: Recognition and Measurement*.

Net interest expense, before interest income from NetLink Trust, was stable year-on-year at S\$85 million.

SingTel recorded a net interest income of S\$5 million on the unitholder's loan to NetLink Trust, partly offset by finance lease expenses on the exchange buildings leased from NetLink Trust.

Net foreign (non-trade) exchange loss of S\$14 million arose from revaluation of monetary assets and liabilities.

SECTION I : GROUP**GROUP EXCEPTIONAL ITEMS ⁽¹⁾**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Share of AIS' pre-tax profit (Jan-Mar 2011)	-	-	-	80	-	nm
Net foreign exchange gain/ (loss) on SAI loan	-	(7)	nm	28	19	52.4
Impairment of available-for-sale investments	(6)	-	nm	(6)	-	nm
Fair value gain related to additional investment in Airtel	-	-	-	-	38	nm
Share of Airtel's brand launch cost	-	-	-	-	(30)	nm
Gain on disposal of Teletech Park	-	-	-	5	-	nm
Accrual of fine payment	-	-	-	-	(4)	nm
Dilution gain on associates	2	1	114.3	3	4	-22.9
Provision for Optus' ex-gratia payment	-	-	-	(24)	-	nm
Group (pre-tax)	(4)	(6)	-33.3	86	25	241.1
Exceptional tax credit/ (expense)						
- Tax credit on assets transferred to an associate	270	-	nm	270	-	nm
- Share of AIS' reduction in deferred tax asset	-	-	-	(25)	-	nm
- Share of AIS' tax expense (Jan-Mar 2011)	-	-	-	(25)	-	nm
- Tax credit on Optus' provision for ex-gratia payment	-	-	-	7	-	nm
Group exceptional taxes	270	-	nm	227	-	nm

Note:

(1) Exceptional items are material non-recurring items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.

In this quarter, SingTel recorded an exceptional net tax credit of S\$270 million on the increase in value of assets transferred to an associate, partially offset by an impairment charge of S\$6 million on certain available-for-sale investments held by SingTel Innov8.

SECTION I : GROUP**GROUP SUMMARY STATEMENTS OF FINANCIAL POSITION**

	As at		
	31 Mar	31 Mar	31 Dec
	2012	2011	2011
	S\$ m	S\$ m	S\$ m
Current assets (excluding cash)	4,472	3,817	3,972
Cash and bank balances	1,346	2,738	1,520
Non-current assets	34,599	32,727	34,280
Total assets	40,418	39,282	39,772
Current liabilities	5,535	8,541	5,988
Non-current liabilities	11,434	6,391	11,584
Total liabilities	16,970	14,932	17,572
Net assets	23,448	24,350	22,200
Share capital	2,632	2,623	2,631
Reserves	20,795	21,706	19,546
Equity attributable to shareholders	23,428	24,328	22,177
Minority interest	20	22	23
	23,448	24,350	22,200

The Group is in a sound financial position as at 31 March 2012. SingTel is rated at Aa2 by Moody's and A+ by Standard & Poor's.

As at 31 March 2012, the shareholders' equity was S\$23.43 billion, a decrease of S\$901 million from a year ago. This was due mainly to dividend payments totalling S\$4.11 billion and a net translation loss of S\$897 million primarily from the strengthening of the Singapore Dollar against the Indian Rupee and Indonesian Rupiah and the Group's share of Airtel's currency translation loss, partially offset by the current year's net profit.

SECTION I : GROUP**GROUP LIQUIDITY AND GEARING**

	As at		
	31 Mar	31 Mar	31 Dec
	2012	2011	2011
	S\$ m	S\$ m	S\$ m
Gross debt			
Current debt	131	2,699	131
Non-current debt	8,663	4,587	8,806
Gross debt as reported in statement of financial position	8,794	7,286	8,937
Related net hedging liability ⁽¹⁾	413	1,475	277
	9,207	8,761	9,213
<i>Less</i> : Cash and bank balances	(1,346)	(2,738)	(1,520)
Net debt	7,860	6,023	7,693
Gross debt gearing ratio ⁽²⁾	28.2%	26.5%	29.3%
Net debt gearing ratio	25.1%	19.8%	25.7%
Return On Invested Capital (ROIC) ⁽³⁾	16.9%	17.6%	

Notes:

- (1) The net hedging liability arose from mark-to-market of cross currency and interest rate swaps.
- (2) Gross debt gearing ratio refers to the ratio of gross debt to gross capitalisation. Gross capitalisation is the aggregate of gross debt, shareholders' funds and minority interests.
- (3) ROIC refers to EBIT divided by average capital.

Hedged gross debt decreased by S\$6 million to S\$9.21 billion from a quarter ago.

In March 2012, SingTel Group Treasury Pte Ltd ("SGT") issued a US\$700 million 5.5-year fixed rate note, which extended the maturity of its debt profile.

The Return On Invested Capital (ROIC) is the ratio of earnings before interest and tax (EBIT) to average net capitalisation, which is the aggregate of net debt, shareholders' funds and minority interests. For the year ended 31 March 2012, with lower pre-tax contribution from associates, ROIC declined 0.7 percentage point to 16.9%.

SECTION I : GROUP

GROUP CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2012 S\$ m	2011 S\$ m	2011 S\$ m	2012 S\$ m	2011 S\$ m	
Net cash inflow from operating activities						
Profit before tax	1,349	1,308	1,183	4,967	4,993	-0.5
Non-cash items	88	89	82	265	146	81.9
Operating cashflow before working capital changes	1,436	1,398	1,264	5,232	5,138	1.8
Changes in operating assets and liabilities	177	259	(41)	11	15	-26.6
	1,613	1,657	1,224	5,243	5,154	1.7
Cash paid to employees under performance share plans	-	-	(1)	(1)	(4)	-65.0
Tax paid on operating activities	(76)	(34)	(126)	(372)	(190)	95.7
Operating cashflow before dividends from associates	1,537	1,623	1,097	4,870	4,959	-1.8
Dividends received from associates	138	82	96	920	1,194	-23.0
Withholding tax paid on dividends received	(9)	(9)	(8)	(79)	(110)	-28.3
	1,665	1,697	1,185	5,710	6,043	-5.5
Net cash outflow for investing activities						
Net investment in associates	(3)	(121)	(325)	(903)	(668)	35.1
Investment in available-for-sale investments	(30)	(20)	(9)	(86)	(20)	331.0
Payment for purchase of property, plant and equipment	(667)	(522)	(551)	(2,249)	(2,005)	12.2
Advance payment for purchase of C2C submarine cable capacity	-	-	-	(10)	(28)	-65.2
Drawdown of prepaid C2C submarine cable capacity	-	-	7	18	29	-37.4
Proceeds from disposal of property, plant and equipment	7	2	3	582	24	@
Withholding tax paid on interest received on inter-company loans	-	(33)	(81)	(89)	(120)	-25.7
Payment for purchase of licenses	(26)	(4)	(48)	(119)	(27)	340.5
Others (<i>interest received, etc</i>)	8	8	4	45	55	-17.5
	(710)	(689)	(999)	(2,809)	(2,759)	1.8
Net cash outflow for financing activities						
Final dividend paid to SingTel shareholders	-	-	-	(1,434)	(1,274)	12.6
Special dividend paid to SingTel shareholders	-	-	-	(1,594)	-	nm
Interim dividend paid to SingTel shareholders	(1,084)	(1,083)	-	(1,084)	(1,083)	0.1
Net increase in borrowings	49	747	679	1,189	840	41.5
Settlement of swaps for bonds repaid	-	-	(922)	(922)	(218)	323.7
Net interest paid on borrowings and swaps	(78)	(45)	(150)	(415)	(348)	19.2
Loan repayment to minority shareholder	-	-	-	-	(25)	nm
Proceeds from share issue	1	1	2	9	7	44.6
Purchase of performance shares	(6)	-	(6)	(20)	(39)	-49.2
Others	5	*	-	6	(1)	nm
	(1,112)	(380)	(398)	(4,264)	(2,141)	99.2
Net (decrease)/ increase in cash and cash equivalents	(157)	627	(212)	(1,363)	1,143	nm
Exchange effects on cash and cash equivalents	(16)	(5)	2	(29)	(18)	56.5
Group cash and cash equivalents at beginning	1,520	2,116	1,729	2,738	1,614	69.7
Group cash and cash equivalents at end	1,346	2,738	1,520	1,346	2,738	-50.8
Group free cash flow (ex-associates' dividends)	870	1,101	546	2,621	2,955	-11.3
Group free cash flow	999	1,175	634	3,462	4,038	-14.3
Cash capex to operating revenue	14%	11%	11%	12%	11%	

SECTION I : GROUP

Net cash inflow from operating activities for the quarter amounted to S\$1.67 billion, down 1.8% from a year ago. Operating cash flow (before associates' dividend receipts) declined 5.3% to S\$1.54 billion due to lower operating cash flow in Singapore partly attributable to working capital on the OpenNet fibre rollout. Gross dividends from associates increased S\$55 million on a special dividend receipt from International Cables Pte Ltd, a 40%-owned joint venture.

Compared to a quarter ago, overall operating cash flow grew 41% with positive movements in working capital and higher dividends received from the associates.

Net cash outflow for investing activities was S\$710 million. Capital expenditure of S\$667 million, representing 14% of operating revenue, rose 28% year-on-year and 21% from a quarter ago with increased expenditure in Singapore and Australia.

The Group's free cash flow declined 15% from a year ago to S\$999 million with lower operating cash flow and higher capital expenditure. Compared to a quarter ago, free cash flow grew 58% on higher operating cash flow.

For the year ended 31 March 2012, free cash flow fell 14% to S\$3.46 billion on higher capital expenditure. The corresponding year also included special dividends from AIS not recurring in this financial year.

Net cash financing outflow of S\$1.11 billion was mainly from the interim dividend payment of S\$1.08 billion in respect of the current financial year. Proceeds from SGT's HK\$830 million note issue and US\$700 million note issue (total equivalent of S\$1.0 billion) were partly offset by net repayment of bank loans in the quarter.

Overall cash balance was lower by S\$173 million from a quarter ago, with ending cash balance at S\$1.35 billion as at end of March 2012.

SECTION II : SINGAPORE

SINGAPORE**MANAGEMENT DISCUSSION AND ANALYSIS**

The equity accounted results of associates, as well as dividends from associates, are disclosed in **Section IV**.

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2012**

- **Excluding fibre rollout, operating revenue up 3.9%.**
- **EBITDA at S\$575 million – up 4.4%. Excluding payments to NetLink Trust, EBITDA would be up 5.9%.**
- **Net profit at S\$587 million – up 94%, after an exceptional net tax credit of S\$270 million.**
- **Free cash flow of S\$377 million – lower by 33%.**

FOR THE YEAR ENDED 31 MARCH 2012

- **Excluding fibre rollout, operating revenue up 3.9%.**
- **EBITDA stable at S\$2.24 billion.**
- **Net profit at S\$1.57 billion – up 19%.**
- **Free cash flow of S\$1.17 billion – lower by 19%.**

SECTION II : SINGAPORE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Operating revenue						
Singapore Business	1,717	1,661	3.4	6,551	6,401	2.3
<i>(ex-Fibre rollout revenue)</i>	<i>1,672</i>	<i>1,610</i>	<i>3.9</i>	<i>6,372</i>	<i>6,133</i>	<i>3.9</i>
<i>Singapore Telco business</i>	<i>1,277</i>	<i>1,231</i>	<i>3.8</i>	<i>5,058</i>	<i>4,867</i>	<i>3.9</i>
<i>IT and Engineering business</i>	<i>440</i>	<i>430</i>	<i>2.3</i>	<i>1,493</i>	<i>1,534</i>	<i>-2.6</i>
Operating expenses						
<i>Singapore Business</i>	<i>(1,188)</i>	<i>(1,142)</i>	<i>4.0</i>	<i>(4,459)</i>	<i>(4,271)</i>	<i>4.4</i>
<i>Group and Int'l business corp costs</i>	<i>(1,150)</i>	<i>(1,117)</i>	<i>3.0</i>	<i>(4,354)</i>	<i>(4,196)</i>	<i>3.8</i>
	<i>(38)</i>	<i>(25)</i>	<i>50.0</i>	<i>(105)</i>	<i>(75)</i>	<i>39.6</i>
EBITDA						
Singapore Business	575	551	4.4	2,242	2,253	-0.5
<i>(ex-payments to NetLink Trust)⁽²⁾</i>	<i>583</i>	<i>551</i>	<i>5.9</i>	<i>2,259</i>	<i>2,253</i>	<i>0.3</i>
<i>Singapore Telco business</i>	<i>480</i>	<i>469</i>	<i>2.5</i>	<i>1,974</i>	<i>1,986</i>	<i>-0.6</i>
<i>(ex-payments to NetLink Trust)⁽²⁾</i>	<i>488</i>	<i>469</i>	<i>4.2</i>	<i>1,991</i>	<i>1,986</i>	<i>0.2</i>
<i>IT and Engineering business</i>	<i>95</i>	<i>82</i>	<i>15.3</i>	<i>268</i>	<i>267</i>	<i>0.3</i>
EBITDA margin						
Singapore Business	33.5%	33.2%		34.2%	35.2%	
<i>Singapore Telco business</i>	<i>37.6%</i>	<i>38.1%</i>		<i>39.0%</i>	<i>40.8%</i>	
<i>IT and Engineering business</i>	<i>21.5%</i>	<i>19.1%</i>		<i>17.9%</i>	<i>17.4%</i>	
Exceptional item⁽³⁾	-	-	-	5	-	nm
Underlying net profit	317	303	4.6	1,298	1,317	-1.5
Net profit	587	303	93.6	1,572	1,317	19.4
Free cash flow	377	562	-32.8	1,170	1,436	-18.5

Notes

- (1) The figures in this section are after elimination of inter-company transactions and cash flows within the Group except for transactions and cash flows with Optus. Material inter-company transactions, cash flows and balances between Singapore and Optus are eliminated in the Group's financials under **Section I**.
- (2) Excluding mainly lease payments to NetLink Trust. See **Appendix 1** for further details.
- (3) The exceptional item in the current year arose from the disposal gain of Teletech Park Pte Ltd, a 40%-owned joint venture, recorded in December quarter.

SECTION II : SINGAPORE**SINGAPORE SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2012

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Singapore Business						
Operating revenue	1,717	1,661	3.4	6,551	6,401	2.3
Operating expenses	(1,150)	(1,117)	3.0	(4,354)	(4,196)	3.8
	567	544	4.3	2,197	2,205	-0.4
Other income	8	7	14.1	45	49	-6.6
EBITDA	575	551	4.4	2,242	2,253	-0.5
- EBITDA margin	33.5%	33.2%		34.2%	35.2%	
Group and Int'l business net corp costs	(48)	(21)	125.1	(114)	(71)	61.6
	528	530	-0.4	2,128	2,183	-2.5
Depreciation & amortisation	(146)	(147)	-0.9	(577)	(551)	4.9
EBIT	382	382	-0.2	1,551	1,632	-5.0
Net finance expense						
- net interest expense	(29)	(49)	-40.4	(173)	(199)	-12.8
- other finance (expense)/ income	(14)	(7)	112.3	8	(4)	nm
	(43)	(56)	-22.5	(165)	(203)	-18.5
Profit before exceptional items	339	327	3.6	1,386	1,429	-3.1
Exceptional items	-	-	-	5	-	nm
Profit before tax	339	327	3.6	1,390	1,429	-2.7
Taxation						
- ordinary tax expense	(22)	(24)	-7.7	(87)	(115)	-24.3
- exceptional tax credit	270	-	nm	270	-	nm
	248	(24)	nm	183	(115)	nm
Profit after tax	587	303	93.4	1,573	1,314	19.7
Minority interests	*	*	nm	(1)	3	nm
Net profit	587	303	93.6	1,572	1,317	19.4
Net profit	587	303	93.6	1,572	1,317	19.4
Exclude:						
Exceptional items	-	-	-	(5)	-	nm
Exceptional tax credit	(270)	-	nm	(270)	-	nm
Underlying net profit	317	303	4.6	1,298	1,317	-1.5

SECTION II : SINGAPORE

REVIEW OF SINGAPORE OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2012

The Singapore Business delivered strong operating results in a highly competitive market. Operating revenue grew 3.4%, while EBITDA before payments to NetLink Trust increased 5.9%.

Mobile Communications continued its robust performance, with revenue increase of 5.1% to S\$478 million on strong customer connections. Total mobile customer base grew 8.3% from a year ago to 3.58 million. SingTel achieved another quarter of market share gains and extended its lead with a share of 45.9% as at 31 March 2012. Postpaid net additions for the year reached a record 171,000, lifting total postpaid customer base by 9.6% from a year ago. The growth was driven mainly by higher smartphone connections and strong data SIMs take-up from successful integrated mobile broadband bundles.

Data and Internet revenue was S\$403 million, down 2.9% year-on-year. This was attributable mainly to planned price adjustments for Local Leased Circuits following the nationwide fibre rollout as well as continued price erosion for International Leased Circuits. Fixed Broadband revenue, however, rose 6.2% driven by growth in fibre-based services and higher-tier plans. As at 31 March 2012, SingTel maintained its lead in the domestic fibre market having recorded a net gain of 21,000 fibre broadband customers in the quarter.

With exciting new offerings and exclusive sports, revenue from mio TV grew steadily with revenue for the year surpassing the S\$100 million-mark. mio TV recorded a net gain of 15,000 customers in the quarter and its total customer base reached 368,000 as at 31 March 2012.

IT and Engineering revenue grew 2.3% to S\$440 million. NCS continued to strengthen its leadership in the domestic IT market. Revenue grew 4.2% to S\$395 million fuelled by strong demand for business solutions services. NCS' order book was S\$2.2 billion at 31 March 2012, up from S\$2.0 billion a quarter ago. Revenue from fibre rollout was S\$46 million, down 11% as OpenNet reached peak rollout.

Excluding payments to NetLink Trust, EBITDA was up 5.9% to S\$583 million on careful cost management.

Net finance expense decreased 23% year-on-year mainly due to lower interest expense, and interest income received on the unitholder's loan to NetLink Trust which commenced from September 2011.

In this quarter, SingTel recorded an exceptional net tax credit of S\$270 million on the increase in value of assets transferred to an associate.

Consequently, net profit for the quarter grew 94% to S\$587 million. Excluding the exceptional net tax credit, underlying net profit was S\$317 million, an increase of 4.6% from a year ago.

Free cash flow generated in the quarter was S\$377 million, down 33% on negative working capital from OpenNet fibre rollout as well as increased capital expenditure.

SECTION II : SINGAPORE

For The Year Ended 31 March 2012

Operating revenue for the year grew 2.3% to S\$6.55 billion from a year ago. Excluding fibre rollout, revenue increased 3.9% led by a strong 7.3% growth in Mobile Communications.

EBITDA was stable at S\$2.24 billion, reflecting investments in mio TV content and higher mobile customer connections.

Net profit grew 19% to S\$1.57 billion, after including the exceptional net tax credit recognised in the current quarter. Excluding the exceptional and one-off items, underlying net profit was S\$1.30 billion, down 1.5% from a year ago.

Free cash flow for the year was S\$1.17 billion, 19% lower attributed to lower operating cash flow and increased capital expenditure.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2011 were as follows:

	Quarter		QOQ Chge %
	31 Mar	31 Dec	
	2012 S\$ m	2011 S\$ m	
Operating revenue			
Singapore Business	1,717	1,675	2.5
<i>Singapore Telco business</i>	1,277	1,314	-2.8
<i>IT and Engineering business</i>	440	361	22.1
<i>Operating expenses</i>	(1,188)	(1,167)	1.8
<i>Singapore Business</i>	(1,150)	(1,144)	0.6
<i>Group and Int'l business corp costs</i>	(38)	(23)	62.3
EBITDA			
Singapore Business	575	547	5.1
Profit before exceptional items and tax	339	336	0.7
Underlying net profit	317	328	-3.3
Net profit	587	333	76.5
Free cash flow	377	273	38.1

Operating revenue from the Singapore Business grew 2.5% from the preceding quarter. The seasonally higher NCS' revenue in the March quarter partially offset the lower Telco revenue on lower mobile roaming traffic and handset sales.

SECTION II : SINGAPORE

EBITDA grew 5.1% from a quarter ago on lower mobile customer connection costs.

Free cash flow increased 38% primarily due to seasonal working capital movements and lower income tax payments.

OPERATING REVENUE

	Quarter				YOY Chge %	Year				YOY Chge %
	31 Mar					31 Mar				
	2012		2011			2012		2011		
	S\$ m	Mix %	S\$ m	Mix %		S\$ m	Mix %	S\$ m	Mix %	
Mobile communications	478	28	455	27	5.1	1,919	29	1,788	28	7.3
Data and Internet	403	23	415	25	-2.9	1,607	25	1,612	25	-0.3
International telephone	125	7	123	7	1.5	501	8	511	8	-1.9
National telephone	86	5	90	5	-5.2	352	5	375	6	-6.1
Sale of equipment	91	5	86	5	5.3	352	5	311	5	13.3
mio TV	29	2	23	1	28.9	106	2	79	1	34.1
Others ⁽¹⁾	66	4	39	2	68.7	220	3	191	3	15.5
Singapore Telco	1,277	74	1,231	74	3.8	5,058	77	4,867	76	3.9
IT and Engineering	440	26	430	26	2.3	1,493	23	1,534	24	-2.6
Total	1,717	100	1,661	100	3.4	6,551	100	6,401	100	2.3

Note:

(1) Include revenues from maritime & land mobile revenue and lease of satellite transponders.

Mobile Communications, the key contributor to revenue growth, comprised 28% of total revenue, 1 percentage point higher than the same quarter a year ago.

Sale of equipment revenue at S\$91 million was up 5.3% from a year ago with robust demand for smartphones and tablets. Compared to a quarter ago, it was down 20% as the preceding quarter was boosted by the launch of iPhone 4S.

Other revenue grew 69% year-on-year mainly from higher satellite revenue including contribution from ST-2 satellite launched in May 2011.

SECTION II : SINGAPORE**Mobile Communications**

	Quarter		YOY %	Year		YOY %
	31 Mar			31 Mar		
	2012	2011		2012	2011	
Cellular service ⁽¹⁾	478	455	5.1	1,919	1,788	7.3

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
Number of mobile subscribers (000s)						
Prepaid	1,633	1,632	1,531	1,633	1,531	6.7
Postpaid	1,947	1,917	1,776	1,947	1,776	9.6
Total	3,580	3,549	3,307	3,580	3,307	8.3
MOUs per subscriber per month ⁽²⁾						
Prepaid	338	337	350	345	344	0.3
Postpaid ⁽³⁾	323	329	351	333	360	-7.4
Average revenue per subscriber per month ⁽²⁾⁽⁴⁾ (S\$ per month)						
Prepaid	15	14	15	15	14	2.8
Postpaid	82	86	87	85	88	-3.3
Blended	51	53	53	53	53	-0.8
Data services as % of ARPU						
- total data ⁽⁵⁾	42%	43%	40%	42%	39%	
- non-SMS data	20%	21%	18%	20%	17%	
Acquisition cost per postpaid subscriber (S\$)	291	364	287	314	340	-7.6
Postpaid external churn per month ⁽⁶⁾	0.9%	1.0%	0.8%	0.9%	0.9%	
Singapore mobile penetration rate ⁽⁷⁾	149%	149%	146%	149%	146%	
Singapore mobile subscribers (000s) ⁽⁷⁾	7,721	7,755	7,385	7,721	7,385	
Market share ⁽⁷⁾						
Prepaid	43.8%	43.8%	43.0%	43.8%	43.0%	
Postpaid	47.9%	47.6%	46.5%	47.9%	46.5%	
Overall	45.9%	45.8%	44.8%	45.9%	44.8%	

Notes:

- (1) Cellular service revenue is determined net of bill rebates and net of prepaid sales discount, and includes revenue earned from mio plans and mobile broadband. It excludes revenue earned from international calls classified under "International telephone" revenue, consistent with prior periods.
- (2) Based on average subscribers, calculated as the simple average of opening and closing subscribers.
- (3) Postpaid MOU excludes customers that have 'data only' SIM plans.
- (4) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.
- (5) Include revenue from SMS, *SEND, MMS and other data services.
- (6) Calculated by expressing the number of postpaid subscribers who deactivate or disconnect their service (both voluntary and the Company's initiated churn) as a percentage of the average subscribers.
- (7) Source: IDA. The market share data as at 31 March 2012 was based on Telco operators' published results. The other market statistics were based on IDA's latest available published statistics as of 29 February 2012.

SECTION II : SINGAPORE

Mobile Communications maintained its growth momentum, with revenue increasing 5.1% to S\$478 million underpinned by strong customer connections. Compared to the preceding quarter, revenue was 2.7% lower on seasonal decline in roaming traffic.

A total of 31,000 mobile customers were added in the quarter, bringing net additions for the year to 273,000, and total customer base to 3.58 million as at 31 March 2012. SingTel registered another quarter of market share gains and extended its lead with an overall market share of 45.9%.

Postpaid net additions this quarter were 30,000, with increased smartphone connections and higher data SIMs take-up for integrated mobile broadband bundles.

Over 80% of new postpaid customers chose smartphones this quarter, lifting the overall smartphone penetration to approximately 70% of the total postpaid base as at 31 March 2012. With record net additions of 171,000 for the year, the total postpaid customer base grew 9.6% to 1.95 million, thus strengthening SingTel's lead with a share of 47.9%.

During the quarter, SingTel launched '*My DataRoam Settings*', a network-based solution to help customers monitor and manage their data roaming usage via customised alerts and notifications on data usage.

In the prepaid segment, SingTel recorded a net gain of 1,000 customers in the quarter. The take-up of 3G prepaid offerings, data and Blackberry value added services continued to be robust. Total prepaid customer base grew 6.7% from a year ago to 1.63 million, maintaining SingTel's lead with a share of 43.8%. In the quarter, SingTel introduced '*Opera Mini Browser*' which offers prepaid customers faster Internet access at lower costs.

SMS and other data revenue accounted for 42% of blended ARPU, up 2 percentage points from a year ago. Mobile broadband² customers grew 81,000 in the quarter, bringing total mobile broadband customer base to 1.26 million at 31 March 2012, up 44% from a year ago. SingTel's strong suite of smartphones combined with exclusive customised applications and compelling value propositions continued to drive growth in mobile broadband.

Blended ARPU was lower at S\$51 compared to S\$53 a year ago, a result of lower postpaid ARPU which fell 5.9% from a year ago. Excluding 'data only' SIMs, postpaid ARPU declined 2.9% year-on-year attributable to lower roaming traffic and bundled discounts from growth in triple and quadruple play customers. On a sequential quarter, postpaid ARPU declined 5.2% primarily on seasonally lower roaming volume.

Acquisition cost per postpaid subscriber increased S\$4 to S\$291 year-on-year on higher mix of smartphones and tablets, but declined 20% against the preceding quarter which was impacted by the iPhone 4S launch.

² Mobile customers who registered for the monthly mobile broadband data subscription plans, including data packs attached to voice services.

SECTION II : SINGAPORE

Data and Internet

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Data services						
Managed Services ⁽¹⁾	110	110	0.6	420	390	7.7
International Leased Circuits	24	32	-26.3	106	135	-21.4
Local Leased Circuits	134	142	-5.4	526	525	0.2
Others ⁽²⁾	106	113	-6.5	438	453	-3.5
	49	49	0.4	195	194	0.6
	289	303	-4.9	1,159	1,173	-1.2
Internet related						
Fixed broadband ⁽³⁾	104	98	6.2	401	380	5.5
SingTel Internet Exchange ("STiX") ⁽⁴⁾	8	10	-22.3	39	47	-16.5
Others	2	3	-33.3	8	13	-36.0
	114	111	2.6	448	439	2.0
Total	403	415	-2.9	1,607	1,612	-0.3

Key Drivers - Internet related	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
Number of fixed broadband lines (000s) ⁽⁷⁾	545	540	533	545	533	2.3
Singapore fixed broadband penetration rate ⁽⁵⁾⁽⁷⁾	104%	104%	102%	104%	102%	
Fixed broadband market share ⁽⁶⁾⁽⁷⁾	44.9%	44.9%	45.4%	44.9%	45.4%	

Notes:

- (1) Include MEG@POP, Global Corporate IP, Facility Management and Managed Hosting Services.
- (2) Include mainly ISDN, VSAT, DTE/ DCE, digital video broadcasting.
- (3) Include revenues from Internet access under mio plans and fibre plans.
- (4) Include inter-company sales to Optus of S\$2 million (Q4 FY2011: S\$2 million) and S\$9 million (YTD March 2011: S\$14 million) for the fourth quarter and year ended 31 March 2012 respectively.
- (5) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IDA).
- (6) Based on total SingTel ADSL and fibre lines divided by total ADSL, cable and fibre lines in the population.
- (7) Comparatives for 31 March 2011 have been restated to include other fixed broadband access lines, consistent with the current period. The market share data as at 31 March 2012 was based on management's estimates. The market penetration rate was based on IDA's latest available published statistics as of 29 February 2012.
- (8) As at 31 March 2012, SingTel owns 1,415,326 km of access fibre network and 777,585 km of junction fibre network, up 23% and 17% from 31 March 2011 respectively.

SECTION II : SINGAPORE

Data and Internet revenue was down 2.9% year-on-year and 1.5% from a quarter ago to S\$403 million.

Data revenue declined 4.9% from a year ago and 2.6% from the preceding quarter. Revenue from Managed Services was flat year-on-year with growth in Facility Management from increased Data Centre occupancy being offset by one-off project billings in the corresponding quarter a year ago. International Leased Circuits revenue declined 26% on continued price erosion. Revenue from Local Leased Circuits was down 6.5% year-on-year and 5.4% from a quarter ago on planned price adjustments following the nationwide fibre rollout as well as migration of legacy Diginet services to IP-based services.

SingTel continued to build on its strong suite of cloud computing solutions. In the quarter, '*SingTel Mobility Device Manager*', a global cloud-based service was launched. This service enables companies to remotely secure, control and manage corporate data and mobile devices across the region.

Fixed Broadband delivered revenue growth of 6.2% year-on-year and 3.9% from a quarter ago on increased adoption of fibre-based services and higher-tier plans.

Demand for integrated home bundles and SingTel's innovative suite of high-speed fibre-based services continued to gain traction. A total of 18,000 customers subscribed to bundled plans³ this quarter, up from 16,000 in the preceding quarter. Total customer base crossed the 300,000 milestone to reach 305,000, an increase of 27% or 64,000 from a year ago.

Driven by growth in fibre broadband, the number of total fixed broadband lines grew 5,000 in the quarter to 545,000, up 12,000 or 2.3% from a year ago.

SingTel continued to lead the fibre market with its distinctive suite of entertainment, lifestyle and productivity applications. Fibre broadband⁴ customer growth increased this quarter with net additions of 21,000, up from 18,000 in the preceding quarter. As at 31 March 2012, SingTel's fibre broadband customer base was 76,000, up 62,000 from a year ago.

³ Bundled plans comprised mio Plan (bundling of mobile, fixed broadband and fixed voice), mio Home and exPlore Home (bundling of mio TV, fixed broadband and fixed voice).

⁴ Residential and corporate subscriptions to broadband Internet services using optical fibre networks.

SECTION II : SINGAPORE**IT and Engineering**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Revenue from NCS ⁽¹⁾	395	379	4.2	1,315	1,266	3.8
Fibre rollout revenue ⁽²⁾	46	51	-11.1	178	268	-33.3
Total	440	430	2.3	1,493	1,534	-2.6

NCS segment revenue (%)	Quarter			Year	
	31 Mar	31 Dec	31 Mar	31 Mar	
	2012	2011	2011	2012	2011
Geographical markets					
Singapore	89	88	88	88	86
Overseas	11	12	12	12	14
Total	100	100	100	100	100
Lines of business					
Infrastructure services ⁽³⁾	71	66	71	68	70
Business solutions ⁽⁴⁾	29	34	29	32	30
Total	100	100	100	100	100

Notes:

- (1) Generated by NCS and its subsidiaries. Included billings to Optus of approximately S\$19 million (Q4 FY 2011: S\$15 million) and S\$68 million (YTD March 2011: S\$70 million) for the fourth quarter and year ended 31 March 2012 respectively.
- (2) This revenue is for the roll out of fibre on behalf of OpenNet under Singapore's Next Generation National Broadband Network (NGNBN) initiative.
- (3) Infrastructure services include the full suite of managed services, network and communication engineering services, and value-added reselling and services.
- (4) Business solutions include applications management services and outsourcing, system integration and business process outsourcing.

IT and Engineering revenue grew 2.3% from a year ago and 22% from the preceding quarter to S\$440 million.

Fibre rollout revenue was S\$46 million compared to S\$51 million in the same quarter last year. OpenNet achieved home coverage of over 90% as of end March 2012 with completion expected in June 2012.

Revenue from NCS grew 4.2% year-on-year driven by demand in business solutions services. The sequential quarter increase of 25% was boosted by higher infrastructure services as well as seasonal factors in the March quarter.

NCS' major contract wins this quarter included a contract to implement an integrated manpower management system and a contract to build and enhance the overall infrastructure design and setup of a data centre for a government agency, as well as contracts with two tertiary institutions to upgrade the existing distribution network and equipment and implementation of a campus-wide e-learning management system.

SECTION II : SINGAPORE

NCS recently won two prestigious awards, 'Best System Delivery Partner' and 'Most Creative Promotion/Campaign (Land Transport)' at the 3rd Land Transport Excellence Awards 2012. The awards were strong endorsements of NCS' capabilities in the development and management of the Land Transport Authority's portals and services, and its creative excellence in land transport promotion.

International Telephone ⁽¹⁾

	Quarter		Chge %	Year		Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
International (incl Malaysia) call revenue	102	104	-1.4	418	419	-0.1
Inpayments and net transit	22	19	16.7	83	92	-9.8
Total	125	123	1.5	501	511	-1.9
International Telephone outpayments	(46)	(45)	2.0	(183)	(190)	-3.7
Net	79	78	1.2	318	321	-0.8
Margin %	63%	64%		64%	63%	

Key drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
International telephone outgoing minutes (m mins) (excl Malaysia)	760	780	771	3,145	3,020	4.1
Average IDD call collection rate - net basis (S\$/ min) (excl Malaysia)	0.115	0.112	0.116	0.113	0.119	-5.0

Note:

(1) International telephone services include international calling cards, IDD calls and facsimile services into and out of Singapore, other international call services, corporate voice, video and audio conferencing and wholesale voice services. It also includes international telephone revenue earned from calls made from mobile phones.

International Telephone revenue was S\$125 million, up 1.5% from a year ago attributed to higher inpayments and net transit.

International call revenue decreased 1.4% year-on-year on lower outgoing minutes.

Inpayments and net transit grew 17% from a year ago as a result of higher inpayment rates, as well as operators' adjustments on traffic settlement.

Outpayments for international calls increased 2.0% year-on-year corresponding to increased traffic volume.

SECTION II : SINGAPORE

National Telephone

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Direct exchange lines ("DEL")						
- rental	41	42	-2.2	166	166	-0.2
- traffic	13	15	-12.6	56	65	-13.7
Others ⁽¹⁾	54	57	-4.9	222	231	-4.0
	41	43	-5.5	167	179	-6.6
	95	100	-5.2	389	410	-5.1
Inter-company eliminations	(9)	(10)	-5.2	(37)	(36)	4.5
	86	90	-5.2	352	375	-6.1

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
Fixed working lines (000s) ⁽²⁾						
Residential	919	922	932	919	932	-1.4
Business	772	772	769	772	769	0.4
Total	1,691	1,694	1,701	1,691	1,701	-0.6
Singapore fixed line penetration rate ⁽³⁾	38.9%	38.9%	40.0%	38.9%	40.0%	
Singapore fixed working lines (000s) ⁽³⁾	2,017	2,017	1,996	2,017	1,996	
Fixed Line market share ⁽³⁾	83.9%	84.0%	85.2%	83.9%	85.2%	

Notes:

- (1) Include revenue from enhanced telephone services, payphones, DEL interconnect and call management services such as 1900/1800 call services, Telepoll and mio voice.
- (2) Fixed working lines refer to Direct Exchange Lines (DEL) and mio voice. Some lines are for connections of second set top box under mio bundles, where the revenue is recognised under 'Fixed Broadband' or 'mio TV'.
- (3) Source: IDA. The market statistics as at 31 March 2012 were based on management's estimates.

Fixed line phone services continued to be impacted by fixed-to-mobile substitution and competition. The number of residential lines declined by 3,000 in the quarter.

With lower traffic, revenue declined 5.2% from a year ago. Compared to a quarter ago, revenue was stable.

SECTION II : SINGAPORE

mio TV

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
mio TV revenue	29	23	28.9	106	79	34.1

Key drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
Number of mio TV subscribers ('000s) ⁽¹⁾	368	353	292	368	292	26.0

Note:

(1) Comprise subscribers in the residential segment only.

Revenue from mio TV was S\$29 million for the quarter, up from S\$28 million in the preceding quarter. For the year under review, revenue crossed the S\$100-million mark at S\$106 million.

SingTel gained 15,000 mio TV customers this quarter, driven by multi-play bundling of services and continued demand for content packs such as 'Ultimate' which bundled exciting entertainment and exclusive sports. Total customer base reached 368,000 as at 31 March 2012, an increase of 26% or 76,000 from a year ago.

mio TV boosted its news offerings with the addition of international news channel 'FRANCE 24' which is available in English and French. It also expanded the range of ethnic programming with the launch of three attractive Indian entertainment channels and a Hindi pack 'Desi Pack'. In addition, 'Celestial Classics Movies', offering digitally-restored classic movies and all-time favourites from Asia, was added to the 'Jingxuan Pack'.

SECTION II : SINGAPORE**OPERATING EXPENSES
(Before Depreciation And Amortisation)**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Selling & administrative	365	337	8.3	1,397	1,249	11.9
Cost of sales	316	331	-4.6	1,113	1,177	-5.4
Staff costs	258	235	9.6	985	901	9.3
Traffic expenses	221	210	5.1	864	845	2.2
Repair & maintenance	34	33	3.9	125	121	3.2
Others ⁽¹⁾	(5)	(3)	44.1	(25)	(21)	18.9
Total	1,188	1,142	4.0	4,459	4,271	4.4
Less: Group and Int'l business corp costs	(38)	(25)	50.0	(105)	(75)	39.6
Singapore Business	1,150	1,117	3.0	4,354	4,196	3.8

As a percentage of operating revenue	Quarter		Year	
	31 Mar		31 Mar	
	2012	2011	2012	2011
Selling & administrative	21.2%	20.3%	21.3%	19.5%
Cost of sales	18.4%	19.9%	17.0%	18.4%
Staff costs	15.0%	14.2%	15.0%	14.1%
Traffic expenses	12.8%	12.6%	13.2%	13.2%
Repair & maintenance	2.0%	2.0%	1.9%	1.9%
Others	-0.3%	-0.2%	-0.4%	-0.3%
Total	69.2%	68.8%	68.1%	66.7%
Singapore Business	67.0%	67.3%	66.5%	65.6%

Note:

(1) Include government grants and recoveries of costs.

Cost of sales decreased 4.6% year-on-year, corresponding to lower fibre rollout revenue from OpenNet. It increased 13% from the preceding quarter, a result of higher revenue from NCS.

SECTION II : SINGAPORE

Selling & administrative Expenses

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Selling & administrative expenses	365	337	8.3	1,397	1,249	11.9
Less: Group and Int'l business costs	(18)	(11)	73.6	(43)	(28)	53.8
Singapore Business - Selling & administrative expenses	346	326	6.1	1,354	1,221	10.9

Selling & administrative expenses were the largest expense category at 21% of operating revenue and accounted for 61% of the overall increase in operating expenses for the quarter. The year-on-year increase was mainly attributable to higher mobile customer retention costs, as well as increased maintenance and service costs to support the growing multimedia customer base. At the corporate level, the expenses included professional/transaction fees incurred on the acquisition of Amobee, Inc.

Compared to a quarter ago, expenses declined on lower mobile customer acquisition and retention costs as iPhone 4S was launched in the preceding quarter.

Traffic Expenses

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
International Telephone outpayments	46	45	2.0	183	190	-3.7
Mobile roaming outpayments	62	58	7.1	257	238	8.1
Total outpayments	108	103	4.9	440	428	2.8
Leases ⁽¹⁾	82	79	3.9	305	310	-1.5
Interconnect	31	28	9.3	119	108	10.3
Traffic expenses	221	210	5.1	864	845	2.2
Singapore Business - Traffic expenses	221	210	5.1	864	845	2.2

Note:

(1) Leases comprise backhaul charges, Inmarsat satellite rental, cost of restoring cable breakages, leased circuit charges, and lease of ducts and manholes from NetLink Trust.

See Page 30 for further information on International Telephone outpayments relative to inpayments.

Mobile roaming outpayments increased 7.1% year-on-year but declined 16% from a quarter ago in line with roaming volumes.

Lease expenses increased 3.9% year-on-year on payments to NetLink Trust for the lease of ducts and manholes.

SECTION II : SINGAPORE

Interconnect expenses rose 9.3% year-on-year as a result of increased fibre interconnect costs paid to OpenNet with higher take-up of fibre broadband.

Staff Costs

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Gross staff costs	259	236	9.7	974	902	8.0
Performance share cost ⁽¹⁾	4	4	12.8	26	19	38.6
Capitalisation of staff costs ⁽²⁾	264	240	9.7	1,000	921	8.6
	(6)	(5)	18.0	(16)	(18)	-12.9
	258	235	9.6	985	903	9.0
Job credits	-	-	-	-	(2)	nm
Total, net	258	235	9.6	985	901	9.3
Singapore Business - Staff costs	239	221	8.3	923	854	8.1

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar		
	2012	2011	2011	2012	2011	
Singapore average number of staff	13,563	13,392	12,920	13,322	12,824	3.9
Revenue per staff (S\$'000) ⁽³⁾	127	125	129	492	499	-1.5
As at end of period:						
Number of staff						
NCS	6,604	6,654	6,179	6,604	6,179	6.9
SingTel and other subsidiaries	6,919	6,782	6,762	6,919	6,762	2.3
Singapore	13,523	13,436	12,941	13,523	12,941	4.5
Optus	9,653	9,726	10,090	9,653	10,090	-4.3
Total Group	23,176	23,162	23,031	23,176	23,031	0.6

Notes:

- (1) Performance share expense for a share grant is amortised and recognised in income statement on a straight-line basis over the vesting period of 3 years from the date of the grant.
- (2) The amounts represent capitalisation of direct staff costs in property, plant and equipment and/ or inventories (work-in-progress) related to the fibre rollout contract with OpenNet.
- (3) Based on average employee numbers.

The increase in staff costs was attributable to average headcount growth of 5.0% and annual salary increments.

Overall headcount for Singapore increased 582 from a year ago to 13,523 as at 31 March 2012, driven mainly by NCS' additional hires to support major customer contracts and the build-up of its offshore development resource base.

Overall Group headcount was largely stable at 23,176 as of 31 March 2012.

SECTION II : SINGAPORE**OTHER INCOME STATEMENT ITEMS****Depreciation And Amortisation**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Depreciation of property, plant and equipment	140	143	-2.4	558	535	4.2
Amortisation	6	4	51.2	20	15	29.1
	146	147	-0.9	577	551	4.9
<i>Depreciation as a percentage of operating revenue</i>	8.1%	8.6%		8.5%	8.4%	

Amortisation expense increased S\$2 million this quarter on higher capitalised intangibles (software development) at NCS.

Net Finance Expense

	Quarter		Chge %	Year		Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Net interest expense						
- Interest income	1	1	-42.9	7	7	-8.5
- Interest expense	(35)	(50)	-30.6	(191)	(206)	-7.3
	(34)	(49)	-30.2	(184)	(199)	-7.3
- Net interest income from NetLink Trust	5	-	nm	11	-	nm
	(29)	(49)	-40.4	(173)	(199)	-12.8
Other finance (expense)/ income						
- Investment gain ⁽¹⁾	*	-	nm	19	20	-5.6
- Net foreign exchange loss	(14)	(7)	118.5	(11)	(24)	-55.2
	(14)	(7)	112.3	8	(4)	nm
Net finance expense	(43)	(56)	-22.5	(165)	(203)	-18.5

Note:

(1) Comprise mainly dividend income from available-for-sale investments.

Interest expense declined 31% from a year ago on lower interest rates.

Net interest income from NetLink Trust of S\$5 million comprised interest earned on the unitholder's loan to NetLink Trust, partially offset by finance lease expense paid to NetLink Trust for the lease of exchange buildings.

Net foreign (non-trade) exchange loss of S\$14 million arose from revaluation of monetary assets and liabilities.

SECTION II : SINGAPORE**Taxation**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m	2012 S\$ m	2011 S\$ m		
Taxation						
Current and deferred taxes (a)	49	55	-10.7	208	239	-12.9
Tax benefit of inter-company interest expense	(28)	(32)	-12.9	(121)	(124)	-2.3
Exceptional net tax credit	22	24	-7.7	87	115	-24.3
	(270)	-	nm	(270)	-	nm
Total	(248)	24	nm	(183)	115	nm
Effective tax rates based on :						
Singapore reported profit before tax				6.3%	8.0%	
Profit before tax				1,390	1,429	
Exclude :						
Net foreign exchange loss (non-trade)				11	24	
Exceptional item				(5)	-	
Adjusted pre-tax profit (b)				1,397	1,453	
Effective tax rate (a)/(b) (excludes exceptional tax)				14.9%	16.4%	
Applicable statutory tax rate in the period				17.0%	17.0%	

In this quarter, an exceptional net tax credit of S\$270 million was recognised on the increase in value of assets transferred to an associate.

The tax expense for the year included tax refunds recorded in the preceding December 2011 quarter.

SECTION II : SINGAPORE

SINGAPORE CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2012 S\$ m	2011 S\$ m	2011 S\$ m	2012 S\$ m	2011 S\$ m	
Net cash inflow from operating activities						
Profit before tax	339	327	341	1,390	1,429	-2.7
Non-cash items	193	207	189	764	765	-0.2
Operating cash flow before working capital changes	532	534	530	2,154	2,195	-1.8
Changes in operating assets and liabilities	118	274	49	52	162	-67.7
	650	809	579	2,207	2,357	-6.4
Cash paid to employees under performance share plans	-	-	(1)	(1)	(4)	-65.0
Tax paid on operating activities	(22)	(34)	(75)	(217)	(190)	14.2
Operating cash flow	628	775	503	1,988	2,163	-8.1
Net cash (outflow)/ inflow for investing activities						
Net loan repayment from Optus to STAI ⁽¹⁾	-	328	1,328	1,971	1,189	65.8
Withholding tax paid on interest received on inter-company loans	-	(33)	(81)	(89)	(120)	-25.7
Payment for purchase of property, plant and equipment	(251)	(214)	(229)	(818)	(726)	12.6
Advance payment for purchase of C2C submarine cable capacity	-	-	-	(10)	(28)	-65.2
Drawdown of prepaid C2C submarine cable capacity	-	-	7	18	29	-37.4
Proceeds on disposal of property, plant and equipment	7	2	3	582	24	@
Net investment in associates	(1)	(121)	(321)	(896)	(669)	34.0
Investment in available-for-sale investments	(30)	(20)	(9)	(86)	(20)	331.0
Payment for purchase of licenses	(7)	(4)	(2)	(13)	(28)	-53.6
Others (dividends and interest received etc)	1	2	3	22	28	nm
	(281)	(59)	699	683	(320)	nm
Net cash outflow for financing activities						
Final dividend paid to shareholders	-	-	-	(1,434)	(1,274)	12.6
Special dividend paid to shareholders	-	-	-	(1,594)	-	nm
Interim dividend paid to shareholders	(1,084)	(1,083)	-	(1,084)	(1,083)	0.1
Net increase/ (decrease) in borrowings	518	753	(589)	388	511	-24.2
Settlement of swaps for bonds repaid	-	-	(922)	(922)	-	nm
Net interest paid on borrowings and swaps	(23)	(4)	(99)	(224)	(201)	11.5
Proceeds from share issue	1	1	2	9	7	44.6
Purchase of performance shares	(6)	-	(6)	(19)	(27)	-30.5
Others	5	*	-	5	(26)	nm
	(588)	(334)	(1,615)	(4,875)	(2,093)	132.9
Net (decrease)/ increase in Singapore cash balance	(241)	383	(413)	(2,204)	(250)	@
Net (decrease)/ increase in Singapore cash balance	(241)	383	(413)	(2,204)	(250)	@
Dividends received from associates	138	82	96	920	1,194	-23.0
Withholding tax paid	(9)	(9)	(8)	(79)	(110)	-28.3
Net dividends received from associates	129	74	88	841	1,084	-22.4
Net (decrease)/ increase in cash and cash equivalents	(113)	456	(325)	(1,363)	834	nm
SingTel cash and cash equivalents at beginning	929	1,751	1,271	2,202	1,416	55.5
Exchange effects on cash and cash equivalents	(12)	(5)	(17)	(35)	(48)	-26.5
SingTel cash and cash equivalents at end	804	2,202	929	804	2,202	-63.5
Singapore free cash flow	377	562	273	1,170	1,436	-18.5
Free cash flow from associates' dividends	129	74	88	841	1,084	-22.4
Cash capex to operating revenue	15%	13%	14%	12%	11%	

Note:

(1) This inter-company loan was eliminated at the Group level.

SECTION II : SINGAPORE

Net cash generated from operating activities declined 19% from a year ago to S\$628 million due to negative working capital on the OpenNet fibre rollout. As at 31 March 2012, the work-in-progress and receivable balances in respect of the fibre rollout contract with OpenNet totalled S\$161 million. Compared to a quarter ago, operating cash flow grew 25% with seasonal working capital movements and lower tax payments.

Cash flows from investing activities amounted to S\$281 million, comprising S\$251 million for capital expenditure and S\$30 million for investments by SingTel Innov8. Capital expenditure increased 17% year-on-year and represented 15% of operating revenue, 2 percentage points higher than a year ago. Major capital expenditure this quarter included additional investments in submarine cable networks, enhancements in mobile networks to support customer and mobile broadband growth, as well as NCS' investments in equipment for major customer contracts.

Free cash flow for the quarter was S\$377 million, 33% lower than a year ago attributable to lower operating cash flow and higher capital expenditure. Compared to a quarter ago, free cash flow grew 38% on higher operating cash flow.

Net cash outflow for financing activities was S\$588 million for the quarter, with interim dividend payment of S\$1.08 billion in respect of the current financial year. This was partially offset by net borrowings of S\$518 million, including proceeds from SGT's (a wholly-owned subsidiary of SingTel) issue of a HK\$830 million note and a US\$700 million note under its Euro Medium Term Note Programme.

Including associates' net dividends of S\$129 million, overall cash balance as at 31 March 2012 was at S\$804 million.

SECTION III : OPTUS

SINGTEL OPTUS PTY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2012

- Operating revenue at A\$2.30 billion – down 1.1%.
- EBITDA stable at A\$676 million.
- EBITDA margin higher at 29.5%.
- Net profit at A\$267 million – up 2.1%.
- Free cash flow of A\$370 million - down 12%.

FOR THE YEAR ENDED 31 MARCH 2012

- Operating revenue at A\$9.37 billion – up 0.9%.
- EBITDA at A\$2.36 billion - up 1.0%.
- EBITDA margin stable at 25.2%.
- Underlying net profit at A\$800 million – up 3.1%.
- Free cash flow of A\$1.11 billion – down 7.8%.

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Operating revenue	2,296	2,322	-1.1	9,368	9,284	0.9
EBITDA	676	672	0.7	2,357	2,334	1.0
<i>EBITDA margin</i>	<i>29.5%</i>	<i>28.9%</i>		<i>25.2%</i>	<i>25.1%</i>	
EBIT	405	397	2.1	1,271	1,205	5.4
Underlying net profit	267	261	2.1	800	776	3.1
Net profit	267	261	2.1	787	776	1.5
Free cash flow	370	420	-11.9	1,111	1,206	-7.8

SECTION III : OPTUS

OPTUS SUMMARY INCOME STATEMENTS – Singapore GAAP
For The Fourth Quarter and Year Ended 31 March 2012

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Operating revenue	2,296	2,322	-1.1	9,368	9,284	0.9
Operating expenses	(1,634)	(1,667)	-2.0	(7,062)	(7,011)	0.7
	662	656	1.0	2,306	2,273	1.5
Other income	14	16	-11.9	51	61	-16.3
EBITDA	676	672	0.7	2,357	2,334	1.0
<i>- EBITDA margin</i>	<i>29.5%</i>	<i>28.9%</i>		<i>25.2%</i>	<i>25.1%</i>	
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	676	672	0.7	2,357	2,334	1.0
Depreciation & amortisation	(271)	(275)	-1.3	(1,087)	(1,129)	-3.7
EBIT	405	397	2.1	1,271	1,205	5.4
Net finance expense	(38)	(29)	32.5	(135)	(104)	29.3
Profit before exceptional items	367	368	-0.3	1,136	1,101	3.2
Exceptional items	-	-	-	(18)	-	nm
Profit before tax	367	368	-0.3	1,118	1,101	1.5
Tax expense	(100)	(107)	-6.4	(331)	(326)	1.5
Net profit after tax	267	261	2.1	787	776	1.5
Net profit	267	261	2.1	787	776	1.5
<i>Exclude:</i>						
Exceptional items	-	-	-	(18)	-	nm
Deferred tax on exceptional items	-	-	-	5	-	nm
Underlying net profit	267	261	2.1	800	776	3.1

Optus Mobile results have been disclosed as a division, consistent with general industry practice. Optus fixed line revenue have been presented in accordance with the organisational structure by customer segments.

SECTION III : OPTUS

REVIEW OF OPTUS OPERATING PERFORMANCE For The Fourth Quarter Ended 31 March 2012

Optus reported stable EBITDA on a 1.1% decline in operating revenue. This reflected continued intense competition and the mandated reduction in the mobile termination rates from 9 cents per minute to 6 cents from 1 January 2012.

In Mobile, operating revenue was down 2.6% with mobile service revenue declining 2.4%. Excluding the impact of the decline in mobile termination rates and service credits associated with the device repayment plans introduced in October 2011, mobile service revenue increased 2.6%.

Optus continued its postpaid customer growth momentum with net additions of 82,000 which had included a one-off reduction of 33,000 to a wholesale service provider's customer base. Prepaid subscriber base was stable at 4.29 million, with total mobile customer base of 9.49 million as at 31 March 2012.

Optus is committed to sustainably growing EBITDA with key initiatives being:

- Network investments to improve the competitiveness of the Mobile network
- Reinvigorating the Optus brand with an increased customer focus
- Restructuring the cost base

The Mobile network investments announced included:

- An approximate 20% increase in mobile sites across the Optus network by the extension of site sharing arrangement with Vodafone Hutchison Australia. The extended joint venture will deliver improvements in 3G coverage and the acceleration of the provision of 4G services across the increased site footprint.
- Improvements in 3G coverage from our ambitious U900 spectrum migration program. Since announcing the program in September 2011, 450 sites have been upgraded across Sydney, Melbourne and Perth.
- The planned acquisition of 98MHz of spectrum in the 2.3GHz band as part of the announced agreement to acquire the Vividwireless Group for an expected cash consideration of A\$230 million. The acquisition remains subject to a number of conditions and regulatory approvals.

The Optus brand continues to focus on the customer and is supported by a major organisation restructure to give customers a stronger voice with the creation of a customer division responsible for managing all aspects of Optus' relationship with customers throughout the lifetime of their service.

To enhance the cost structure, functions across the Company have been streamlined and centralised with a corresponding reduction of approximately 750 roles in the coming months. Handsets have been repriced to manage selling costs.

In Business and Wholesale fixed, overall revenue increased by 6.1% from strong satellite and ICT and managed services revenue growth. Underlying EBITDA grew 12%, with reported EBITDA declining 1.5% due to the write back of a A\$20 million provision in the same quarter last year.

SECTION III : OPTUS

In the Consumer fixed business, Optus continued the exit of its fixed resale business. Lower ARPU from increased broadband data inclusions and lower telephony usage caused on-net revenue to decline by 5.1%. EBITDA grew 4.6% and EBITDA margin improved 2 percentage points due mainly to lower traffic costs with the mandated reduction in mobile termination rates. On-net broadband customers totalled 978,000 as at 31 March 2012, up 13,000 from a quarter ago.

Optus' overall EBITDA remained stable year-on-year.

EBIT grew 2.1% to A\$405 million on lower depreciation and amortisation expense.

Net finance expense was up by A\$9 million year-on-year reflecting higher borrowings partially offset by lower interest rates.

Net profit for the quarter grew 2.1% to A\$267 million.

Free cash flow generated in the quarter was A\$370 million which included cash tax payments of A\$40 million. Excluding the tax payment, free cash flow was down A\$10 million or 2.4% year-on-year.

For The Year Ended 31 March 2012

For the year under review, Optus' operating revenue was up 0.9% to A\$9.37 billion, supported by Mobile revenue growth of 1.6%.

EBITDA grew 1.0% or A\$23 million to A\$2.36 billion, from revenue growth and prudent cost management.

Net profit grew 1.5% to A\$787 million. Underlying net profit excluding exceptional items, increased by 3.1% to A\$800 million.

Free cash flow generated was A\$1.11 billion which included cash tax payments of A\$118 million. Excluding the tax payments, free cash flow was up 1.9% or A\$23 million year-on-year.

SECTION III : OPTUS**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2011 were as follows:

	Quarter		QOQ Chge %
	31 Mar	31 Dec	
	2012 A\$ m	2011 A\$ m	
Operating revenue	2,296	2,421	-5.2
Operating expenses	(1,634)	(1,871)	-12.7
EBITDA	676	562	20.4
EBITDA margin	29.5%	23.2%	
<i>Mobile</i>	31%	24%	
<i>Business & wholesale fixed</i>	30%	26%	
<i>Consumer & SMB fixed</i>	20%	18%	
Profit before exceptional items and tax	367	255	43.9
Underlying net profit	267	177	51.3
Free cash flow	370	207	78.9

Operating revenue in the current quarter was seasonally lower, declining 5.2% from the preceding quarter. This was mainly attributable to lower Mobile revenue resulting from the decline in the mobile termination rates and higher service credits associated with device repayment plans.

EBITDA increased by 20% or A\$114 million with strong gains recorded across all divisions. The improvement was largely due to seasonal factors including lower subscriber acquisition and retention costs in the current quarter.

Free cash flow was up A\$163 million driven by higher EBITDA and favourable working capital movements.

SECTION III : OPTUS

DIVISIONAL TOTALS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Operating revenue by division:						
Mobile	1,456	1,494	-2.6	6,072	5,977	1.6
Optus Business Fixed	345	321	7.3	1,310	1,282	2.2
Optus Wholesale Fixed	185	178	3.9	718	685	4.9
Consumer and SMB Fixed	312	330	-5.5	1,275	1,348	-5.4
Less inter-divisional revenue ⁽¹⁾	(2)	(2)	-10.5	(7)	(8)	-13.4
Total	2,296	2,322	-1.1	9,368	9,284	0.9
EBITDA by division:						
Mobile	453	448	0.9	1,578	1,562	1.0
Optus Business & Wholesale Fixed	160	162	-1.5	546	542	0.7
Consumer and SMB Fixed	64	61	4.6	233	230	1.3
Total	676	672	0.7	2,357	2,334	1.0
EBITDA margins by division:						
Mobile	31%	30%		26%	26%	
Optus Business & Wholesale Fixed	30%	33%		27%	28%	
Consumer and SMB Fixed	20%	18%		18%	17%	
Total	29.5%	28.9%		25.2%	25.1%	

Note:

(1) Inter-divisional revenue represents mobile termination revenue for fixed to mobile calls originating from Optus customers.

In the quarter, mobile revenue comprised 63% of total revenue, down 1 percentage point compared to the same quarter last year. EBITDA grew and EBITDA margins expanded in Mobile and Consumer and SMB fixed due to lower selling and traffic costs.

EBITDA for Optus Business & Wholesale Fixed declined 1.5%, while EBITDA margin contracted 3 percentage points due to a one-off writeback of a A\$20 million provision in the comparative quarter last year. Excluding this item, EBITDA increased 12% and EBITDA margin expanded 2 percentage points.

SECTION III : OPTUS

OPTUS MOBILE DIVISION

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Mobile communications revenue ⁽¹⁾						
Outgoing service revenue	973	996	-2.3	3,926	4,004	-2.0
Incoming service revenue	257	265	-3.1	1,113	985	13.1
Service revenue	1,230	1,261	-2.4	5,039	4,989	1.0
Equipment	226	234	-3.4	1,032	988	4.5
Total Mobile revenue	1,456	1,494	-2.6	6,072	5,977	1.6
EBITDA ⁽²⁾	453	448	0.9	1,578	1,562	1.0
- EBITDA margin	31%	30%		26%	26%	

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar	31 Mar	
	2012	2011	2011	2012	2011	
Number of mobile subscribers (000s)						
Prepaid	4,292	4,294	4,295	4,292	4,295	-0.1
Postpaid ⁽³⁾	5,197	5,115	4,773	5,197	4,773	8.9
Total	9,489	9,409	9,068	9,489	9,068	4.6
Mobile penetration rate ⁽⁴⁾	ND	130%	ND	ND	ND	
MOUs per subscriber per month ⁽⁵⁾						
Prepaid	99	102	78	93	76	22.7
Postpaid	228	236	229	232	229	1.4
ARPU per month (A\$) ⁽⁶⁾						
Prepaid	21	23	24	22	25	-11.6
Postpaid	62	66	68	65	69	-5.1
Blended	43	46	47	45	47	-4.2
Data revenue as a % of service revenue						
- total data	49%	47%	42%	46%	40%	
- non-SMS data	24%	21%	19%	22%	18%	
Market share - total ⁽⁴⁾	ND	31.7%	ND	ND	ND	
Retail postpaid churn rate per month ⁽⁷⁾	1.6%	1.7%	1.7%	1.7%	1.7%	
% users through wholesale	13%	12%	11%	13%	11%	
Acquisition cost per subscriber	A\$134	A\$180	A\$190	A\$185	A\$215	

Notes:

- (1) Includes international outgoing and international incoming revenue.
- (2) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.
- (3) Includes bundled telephony and broadband products delivered over the 3G network.
- (4) Penetration and subscriber market share are estimated by Optus based on published data.
- (5) Based on average customers, calculated as the simple average of opening and closing customers. MOU includes outgoing minutes only. This calculation is based on customers with voice plan only – i.e. it excludes customers with only wireless broadband.
- (6) Based on average customers, calculated as the simple average of opening and closing customers. Excludes equipment revenue.
- (7) Churn calculation includes subscriber churn from Optus, Virgin Mobile and other Optus subsidiaries' subscribers but excludes customers transferring from postpaid to prepaid.

SECTION III : OPTUS

The mobile market remained highly competitive during the quarter. Mobile service revenue declined 2.4% while EBITDA grew 0.9%.

Excluding the impact of the decline in mobile termination rates and service credits associated with the device repayment plans introduced in October 2011, mobile service revenue increased 2.6%.

EBITDA rose 0.9% to A\$453 million from lower subscriber acquisition costs as acquisition cost per subscriber declined 29% from a year ago reflecting the lower level of subsidies due to the price construct of the device repayment plans.

Optus continued its postpaid customer growth momentum with net additions of 82,000 this quarter which included a one-off reduction of 33,000 to a wholesale service provider's customer base. Postpaid customers comprised 55% of the total base, up 2 percentage points from a year ago.

Prepaid subscribers remained stable at 4.29 million as at 31 March 2012.

The number of 3G subscribers⁵ increased to 6.63 million, a 6.3% increase from a quarter ago. This included a base of 1.58 million wireless broadband⁶ subscribers, an increase of approximately 26,000 subscribers since a quarter ago.

Incoming service revenue declined 3.1% year-on-year driven by lower mobile termination rates.

Blended ARPU was down A\$3 against the same quarter last year reflecting increased mix of wireless broadband customers and higher value inclusions on selected plans.

SMS and other data revenue was at 49% of ARPU with increased data usage and higher penetration of wireless data products, up from 47% in the preceding quarter and 42% a year ago. The proportion of non-SMS data revenue (including premium content SMS) grew to 24% of ARPU, compared to 19% a year ago.

The sustained demand for smartphones and refreshed cap plans continued to increase the penetration of capped plans into the base. A total of 93%⁷ of new and recontracted postpaid customers chose capped plans this quarter. Approximately 73% of the total Optus postpaid mobile base were on capped plans as at 31 March 2012, up from 70% a year ago.

Optus continued to make significant investments to enhance the coverage, quality and performance of the Open Network, with over 500 mobile sites added during the year, the commencement of 4G rollout across mainland Australia and the U900 spectrum migration program targeted to increase 3G coverage and performance in capital cities.

The LTE roll-out and the U900 spectrum migration programs will lift network capacity and provide customers with greater depth of 3G signals in more places, including better indoor coverage. This ensures that Optus remains ahead of the rising demand for mobile data.

⁵ 3G subscribers are defined as subscribers who i) own a 3G device and ii) are provisioned with 3G Data Services access.

⁶ Wireless broadband subscribers are defined as subscribers provisioned with an HSPA broadband service. Excludes data packs attached to voice services.

⁷ These cap penetration metrics exclude customers on Optus' capped plans offered through Optus wholesale service providers. Including these customers, the percentage of total Optus postpaid customers on capped plans as at 31 March 2012 was 81% (December 2011: 79%), with 89% of total new and recontracted customers choosing capped plans in this quarter (December 2011: 86%).

SECTION III : OPTUS

To-date, Optus' network has reached 97 per cent of the population for both voice and data coverage while expansion continues. With the continuing network investment, Optus is the only carrier capable of challenging the incumbent telco's network on both coverage and speed.

SECTION III : OPTUS

OPTUS BUSINESS & WHOLESALE FIXED DIVISIONS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Business revenue						
Voice	98	102	-3.9	400	413	-3.0
Data and IP	119	119	-0.1	472	478	-1.2
ICT and Managed Services	128	100	27.6	438	392	11.7
Total Business fixed revenue	345	321	7.3	1,310	1,282	2.2
Wholesale revenue						
Domestic Voice	33	31	4.5	125	125	-0.2
International Voice	4	5	-15.2	16	19	-13.8
Data and IP	66	67	-1.6	258	258	-0.3
Satellite	83	75	9.8	319	282	13.1
Total Wholesale fixed revenue	185	178	3.9	718	685	4.9
Total Business & Wholesale fixed revenue	530	500	6.1	2,029	1,967	3.1
EBITDA⁽¹⁾	160	162	-1.5	546	542	0.7
- EBITDA margin	30%	33%		27%	28%	

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar	31 Mar	
	2012	2011	2011	2012	2011	
Business voice minutes (m min)	1,290	1,250	1,247	5,195	5,000	3.9
Wholesale domestic voice minutes (m min)	1,059	942	980	3,781	3,659	3.3
As at end of period:						
Buildings connected ⁽²⁾	17,932	17,890	17,834	17,932	17,834	0.5

Notes:

(1) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.

(2) Directly connected buildings include all connections via all access media - fibre, DSL, fixed wireless, satellite and leases.

Total Business fixed revenue increased by 7.3% driven by ICT and managed services revenue growth from key corporate and government customer wins. Data & IP revenue remained stable while voice revenue declined 3.9%.

Wholesale fixed revenue grew 3.9%. Total voice revenue was stable. Data and IP declined by 1.6%, mainly from the exit of unprofitable off-net services. Satellite revenue rose 9.8% partly as a result of the NBN Interim Satellite Service contract.

EBITDA declined 1.5% due to the writeback of a A\$20 million provision in the comparative quarter last year. Excluding this item, EBITDA grew 12%.

SECTION III : OPTUS

OPTUS CONSUMER AND SMB FIXED DIVISION

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
On-net						
Voice	122	134	-8.9	515	542	-5.1
Broadband	116	118	-1.7	462	472	-2.2
Pay TV	19	19	1.0	77	84	-8.7
Consumer Fixed on-net	258	272	-5.1	1,053	1,099	-4.1
Off-net						
Voice	7	10	-32.0	32	50	-34.9
Broadband	3	4	-39.0	12	21	-41.3
Dial-up	1	1	-33.3	3	4	-42.2
Consumer Fixed off-net	10	15	-34.0	47	75	-37.0
Consumer Fixed revenue	268	287	-6.6	1,100	1,173	-6.2
SMB						
Voice	30	30	1.7	121	124	-2.3
Data and IP	13	13	0.8	53	51	4.7
SMB fixed revenue	44	43	1.4	175	175	-0.2
Total Consumer & SMB fixed revenue	312	330	-5.5	1,275	1,348	-5.4
EBITDA ⁽¹⁾	64	61	4.6	233	230	1.3
- EBITDA margin	20%	18%		18%	17%	

Key Drivers	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar	31 Mar	
	2012	2011	2011	2012	2011	
On-net ARPU (A\$) ⁽²⁾						
Voice	50	50	53	51	53	-3.8
Broadband	47	48	50	48	50	-4.2
Telephony customers ('000)						
HFC ⁽³⁾	496	496	504	496	504	-1.6
ULL ⁽⁴⁾	519	511	512	519	512	1.3
On-net	1,014	1,007	1,016	1,014	1,016	-0.2
Resale	39	42	55	39	55	-28.7
Long distance only	7	8	9	7	9	-20.4
Off-net	47	50	64	47	64	-27.3
<i>HFC bundling rate ⁽⁵⁾</i>	<i>89%</i>	<i>88%</i>	<i>87%</i>	<i>89%</i>	<i>87%</i>	
<i>HFC penetration</i>	<i>35%</i>	<i>35%</i>	<i>36%</i>	<i>35%</i>	<i>36%</i>	
Internet customers (000s)						
On-net						
HFC broadband	429	426	426	429	426	0.7
ULL broadband ⁽⁴⁾	517	507	501	517	501	3.1
Business grade broadband ⁽⁶⁾	32	32	33	32	33	-3.4
Off-net	978	965	960	978	960	1.8
Broadband subtotal	1,000	989	996	1,000	996	0.4
Dial-up	21	21	24	21	24	-12.8
Total Internet customers	1,021	1,011	1,020	1,021	1,020	0.0

SECTION III : OPTUS

Notes:

- (1) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.
- (2) Per month, based on average HFC and ULL customers.
- (3) Includes all customers who take local telephony over the HFC network, and customers who take one or more of pay TV or cable internet services over the HFC network.
- (4) Include wholesale ULL subscribers.
- (5) Based on customers who are receiving a "bundled benefit" from taking a package of products (local telephony plus at least one of broadband, dial-up internet or pay TV).
- (6) Revenue associated with the business grade retail broadband customers is included within Optus Business fixed segment.

The fixed broadband market remained competitive, with the market offering higher data inclusions. Fixed telephony usage continues to decline resulting in lower ARPU.

Consumer fixed on-net revenue declined by 5.1% as growth in on-net broadband customers was offset by lower ARPU from increased broadband data allowances and lower telephony usage.

EBITDA grew 4.6% due to lower traffic expenses from lower mobile termination rates. Consequently, EBITDA margin improved by 2 percentage points to 20%.

As at 31 March 2012, Optus had 517,000 ULL customers, up 16,000 from a year ago and 10,000 from a quarter ago. On-net broadband customers increased 1.8% to 978,000 and accounted for 98% of the total broadband customer base as at 31 March 2012, up from 97% the preceding quarter.

As Optus continued to exit fixed resale services, Consumer off-net revenue declined 34% and contributed to an overall decline of 6.6% for Consumer fixed revenue. This quarter, on-net revenue contributed 96% of overall Consumer fixed revenue, up from 95% a year ago.

In the quarter Optus further enhanced its MeTV offering by launching a range of foreign language channels packaged to target the Chinese, Indian, Korean and Singaporean/Taiwan audience.

SMB fixed revenue grew 1.4% year-on-year.

SECTION III : OPTUS**OPTUS OPERATING EXPENSES
(Before Depreciation and Amortisation)**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Interconnect	352	360	-2.4	1,491	1,408	5.9
Outpayments & other leases	51	31	63.2	211	212	-0.8
Traffic expenses	402	391	2.8	1,701	1,620	5.0
Selling & administrative	571	631	-9.4	2,617	2,748	-4.8
Cost of sales	346	344	0.7	1,544	1,420	8.7
Staff costs	324	294	9.8	1,174	1,180	-0.4
Repair & maintenance and others	44	50	-12.2	210	214	-2.1
Capitalisation of costs ⁽¹⁾	(54)	(44)	21.3	(184)	(171)	8.1
Total	1,634	1,667	-2.0	7,062	7,011	0.7
As a percentage of operating revenue						
Traffic expenses	18%	17%		18%	17%	
Selling & administrative	25%	27%		28%	30%	
Cost of sales	15%	15%		16%	15%	
Staff costs	14%	13%		13%	13%	
Repair & maintenance and others	2%	2%		2%	2%	
Capitalisation of costs ⁽¹⁾	-2%	-2%		-2%	-2%	
	71%	72%		75%	76%	

	Quarter			Year		YOY Chge %
	31 Mar	31 Dec	31 Mar	31 Mar	31 Mar	
	2012	2011	2011	2012	2011	
Staff statistics						
Number of employees, at end of period	9,653	9,726	10,090	9,653	10,090	-4.3
Average number of employees	9,699	9,821	10,157	9,898	10,259	-3.5
Revenue per employee (A\$'000) ⁽²⁾	237	247	229	946	905	4.6

Notes:

(1) Capitalisation relates primarily to staff costs.

(2) Based on average employee numbers.

Total operating expenses were 2.0% lower year-on-year, mainly driven by lower selling & administrative costs partially offset by higher traffic expenses and staff costs.

Traffic expenses grew 2.8%. Lower interconnect costs from the ACCC determination to reduce mobile voice termination rates were offset by an increase in outpayment costs from the writeback of a A\$20 million provision in the comparative quarter last year. Excluding this item, traffic expenses declined 2.2%.

Selling and administrative expenses declined 9.4% from lower handset subsidies due to the price construct of device repayment plans and ongoing efforts to reduce handset subsidies, particularly in prepaid.

Cost of sales were stable as lower mobile equipment cost was offset by the impact of costs related to higher satellite and ICT and managed service revenue year-on-year.

Staff costs increased 9.8% due to annual salary increments and accruals.

SECTION III : OPTUS**OTHER INCOME**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Sublease income	10	12	-12.1	41	45	-9.5
Foreign exchange (losses)/gains	2	(1)	nm	(4)	(1)	241.7
Other	2	5	-58.0	15	17	-16.2
Total	14	16	-11.9	51	61	-16.3

In March quarter last year, other income included certain settlements which were not repeated this quarter.

OTHER INCOME STATEMENT ITEMS**Depreciation and Amortisation**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Depreciation and amortisation expense	271	275	-1.3	1,087	1,129	-3.7
<i>As a percentage of operating revenue</i>	<i>12%</i>	<i>12%</i>		<i>12%</i>	<i>12%</i>	

Depreciation and amortisation expense was largely consistent with the same quarter last year.

Net Finance Expense

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Interest expense	44	32	38.2	150	119	26.3
Interest capitalised	(1)	-	nm	(3)	-	nm
	42	32	33.4	147	119	23.7
Interest income	(4)	(5)	-10.4	(17)	(21)	-20.2
Net interest expense	38	27	40.7	130	98	33.1
Other finance costs						
Unwinding of discounts, incl adjs	*	2	nm	5	7	-27.3
Revaluation gain/(loss) of FX contracts	-	*	nm	*	*	nm
Total	38	29	32.5	135	104	29.3

Net finance expense increased by A\$9 million year-on-year reflecting higher borrowings partially offset by lower interest rates.

SECTION III : OPTUS**Taxation**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Optus' Australian income tax expense	98	108	-9.1	331	326	1.5
Share of joint venture income tax expense	2	(1)	nm	5	*	nm
Exceptional Item	-	-	-	(5)	-	nm
	100	107	-6.4	331	326	1.5

The income tax expense reflected primarily the Australian statutory tax rate of 30% together with variations between accounting and taxable income and adjustment to the prior year tax expense. Taxation expense in the quarter included Optus' share of tax relating to its interest in Pacific Carriage Holdings Limited.

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2012 A\$ m	2011 A\$ m	2011 A\$ m	2012 A\$ m	2011 A\$ m	
Net cash inflow from operating activities						
Profit before tax	367	368	255	1,118	1,101	1.5
Non-cash items	311	304	309	1,230	1,238	-0.7
Operating cashflow before working capital changes	678	673	564	2,348	2,340	0.3
Changes in operating assets and liabilities	44	(12)	(71)	(28)	(116)	-75.5
Tax paid	(40)	*	(39)	(118)	*	nm
	682	660	454	2,201	2,224	-1.0
Net cash outflow from investing activities						
Purchases of property, plant and equipment	(312)	(240)	(247)	(1,090)	(1,018)	7.1
Loan to STAI	-	(249)	(1,020)	(1,070)	(899)	19.0
Others	(10)	5	(37)	(69)	22	nm
	(322)	(484)	(1,303)	(2,228)	(1,895)	17.6
Net cash (outflow)/ inflow from financing activities						
Net (decrease)/increase in bank borrowings	(350)	(4)	974	624	85	@
Repayment to STAI	-	-	-	(432)	-	nm
Purchase of SingTel shares	-	-	-	(1)	(10)	-91.3
Settlement on behalf of STAI	-	(7)	1	(10)	(26)	-61.7
Finance lease payments (excl interest)	(2)	(1)	(2)	(6)	(4)	59.5
Net interest paid on borrowings and swaps	(41)	(32)	(39)	(145)	(117)	24.4
	(393)	(43)	934	30	(71)	nm
Net (decrease)/increase in cash and cash equivalents	(33)	133	85	3	258	-98.8
Cash and cash equivalents at beginning	447	279	363	412	154	167.2
Cash and cash equivalents at end	415	412	447	415	412	0.7
Free cash flow	370	420	207	1,111	1,206	-7.8
Cash capital expenditure to operating revenue	14%	10%	10%	12%	11%	

In the quarter, operating cash flow amounted to A\$682 million, A\$22 million higher than the same quarter last year on favourable working capital movements.

SECTION III : OPTUS

Cash capital expenditure represented 14% of operating revenue, reflecting mobile and satellite investments during the quarter.

With higher capital expenditure, free cash flow declined A\$50 million or 12% in the quarter. Excluding tax payments, free cash flow declined A\$10 million or 2.4%.

Capital expenditure by division

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 A\$ m	2011 A\$ m		2012 A\$ m	2011 A\$ m	
Mobile	175	128	37.1	599	575	4.2
Business & Wholesale fixed	50	44	12.4	187	163	14.9
Consumer & SMB fixed	22	13	73.8	74	69	6.8
Other	65	55	17.4	230	211	8.8
Total	312	240	29.9	1,090	1,018	7.1

To support the growing demand for wireless data services, Optus continued to invest in upgrading and increasing the quality of mobile network coverage and performance, with 55% of its total capital spend on Mobile.

In Optus Business and Wholesale fixed division, capital expenditure has increased mainly due to milestone payments for the new Optus10 satellite and the NBN First Release Satellite Service program.

In the Consumer and SMB fixed division, capital investment primarily represented costs of new customer connections and new product development.

Other capital expenditure was incurred to upgrade facilities, core IT systems and network infrastructure.

Update on National Broadband Network (NBN)

Optus and NBN Co reached an agreement on 23 June 2011 on the migration of Optus' HFC customers to the NBN. This agreement is conditional on regulatory authorisation from the ACCC. The ACCC is currently assessing an application for approval of the deal under the authorisation provisions of the Competition and Consumer Act. This application was withdrawn and resubmitted on 23 January 2012, following an agreement by Optus and NBN Co to amend the 'anti-disparagement' provisions of the agreement relating to the marketing of wireless services. Telstra and NBN Co have also agreed to a similar amendment to wireless marketing provisions in their agreement.

On 29 July 2011, the incumbent operator, Telstra, lodged a Structural Separation Undertaking and Migration Plan for approval by the ACCC, as contemplated by the telecommunications structural reforms that were legislated in 2010. The Structural Separation Undertaking commits Telstra to implement structural separation by 1 July 2018. It also sets out the various measures which Telstra will put in place to provide for transparency and equivalence in the supply of regulated services to its wholesale customers during the transition to the NBN. The Migration Plan sets out the arrangements Telstra will implement to migrate its retail and wholesale customers from the copper network to the NBN on a non-discriminatory basis.

SECTION III : OPTUS

On 9 December 2011, Telstra submitted a revised Structural Separation Undertaking to the ACCC which incorporates a number of additional commitments to equivalence and transparency in response to concerns raised by the ACCC and the industry. This revised plan has recently been accepted by the ACCC, after Telstra made some further amendments to the plan.

SECTION IV: ASSOCIATES/ JOINT VENTURES

FINANCIAL HIGHLIGHTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2012

- **Associates' ordinary pre-tax contributions at S\$539 million – up 4.8% despite fair value losses and translation impact from weaker currencies.**
- **Excluding currency translation impact, ordinary pre-tax contributions would have grown 9.4%.**
- **On a post-tax basis, earnings from associates were down 2.4% to S\$367 million on higher taxes in Airtel.**
- **If regional currencies were held constant from a year ago, post-tax contributions would have increased 1.5%.**
- **The Group's combined mobile customer base⁸ was up 2.7% or 11.9 million in the quarter to 445 million. Compared to a year ago, the mobile customer base was up 11% or 42.9 million. On a proportionate share basis to the Group, the increase was 2.7% from a quarter ago to 157 million.**

FOR THE YEAR ENDED 31 MARCH 2012

- **Group's share of pre-tax profits down 6.4% to S\$2.01 billion.**
- **Post-tax profit contributions from associates down 12% to S\$1.41 billion due mainly to lower earnings at Airtel.**
- **If the regional currencies had remained stable from last year, pre-tax and post-tax contributions would have declined 1.1% and 7.4% respectively.**

⁸ Combined mobile customer base here refers to the total number of mobile customers in SingTel, Optus and the regional mobile associates.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Pre-tax profit contribution	Equity Int %	Quarter		YOY Chge %	Year		YOY Chge %
		31 Mar			31 Mar		
		2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Regional mobile associates							
Bharti Telecom / Bharti Airtel ("Airtel") <i>India, Bangladesh and Sri Lanka ("South Asia")</i>	32.3						
- operating results		156	197	-20.7	638	857	-25.6
- fair value (losses)/gains ⁽²⁾		(8)	(1)	@	(10)	3	nm
		148	196	-24.7	628	860	-27.0
<i>Africa</i>							
- operating results		19	3	@	47	8	@
- acquisition financing costs		(22)	(22)	-0.5	(83)	(73)	14.3
- fair value losses ⁽²⁾		(6)	(4)	68.4	(40)	(19)	112.2
		(9)	(23)	-60.0	(76)	(84)	-9.2
Airtel Group		139	173	-20.0	551	776	-29.0
Telkomsel	35.0						
- operating results		231	185	24.5	910	850	7.0
- fair value (losses)/gains ⁽²⁾		(2)	5	nm	(12)	5	nm
		229	190	20.4	898	855	5.1
AIS ^{(3) (4)}	23.3	111	73	52.2	350	276	26.9
Globe Telecom	47.3						
- operating results		51	58	-11.9	190	188	1.2
- fair value gains/(losses) ⁽²⁾		1	1	66.7	(4)	4	nm
		52	59	-11.1	187	192	-2.6
Pacific Bangladesh Telecom Ltd ("PBTL")	45.0						
- operating results		(6)	(2)	175.0	(22)	(14)	58.4
- fair value losses ⁽²⁾		*	(2)	nm	(6)	(3)	146.2
		(6)	(4)	65.7	(28)	(16)	72.4
Warid	30.0						
- operating results		(13)	(13)	0.8	(48)	(53)	-9.8
- fair value (losses)/gains ⁽²⁾		(1)	1	nm	(8)	(1)	478.6
		(14)	(12)	19.5	(56)	(54)	2.8
		510	479	6.4	1,902	2,028	-6.2
Other SingTel associates							
Singapore Post	25.6	10	11	-15.0	45	50	-10.6
Southern Cross	40.0	13	16	-15.5	47	45	4.2
Others		6	8	-24.1	18	27	-31.7
SingTel share of ordinary pre-tax profit		539	514	4.8	2,013	2,150	-6.4
Optus share of ordinary pre-tax profit		*	*	nm	*	*	nm
Group share of ordinary pre-tax profit		539	514	4.8	2,013	2,150	-6.4
Exceptional items ("EI")							
Telkomsel - one-off adjustments		(8)	-	nm	(8)	-	nm
PBTL - one-off adjustments		(8)	-	nm	(8)	-	nm
PBTL - write back of selling expenses and other provisions no longer required		-	-	-	7	-	nm
Globe - adjustment for prepaid load credit		-	-	-	-	8	nm
Warid - adjustment to prior periods' depreciation and finance charges		-	-	-	-	(7)	nm
Airtel - acquisition related costs		-	-	-	-	(10)	nm
Group share of EI		(15)	-	nm	(8)	(9)	-13.2
SingTel share of pre-tax profit		524	514	1.9	2,005	2,141	-6.4
Optus share of pre-tax profit		*	*	nm	*	*	nm
Group share of pre-tax profit		524	514	1.9	2,005	2,141	-6.4

Notes:

- (1) The accounts of the associates are prepared based on local GAAP. Where applicable, the accounting policies of the associates have been restated to ensure compliance with the Group's accounting policies.
- (2) Fair value gains or losses arose mainly from mark-to-market valuation of foreign currency liabilities, net of related hedgings.
- (3) In the June 2011 quarter, the Group aligned AIS' reporting period to the Group for consolidation purposes. AIS' results for its year ended 31 March 2012 have been equity accounted as part of the Group's ordinary results for the year ended 31 March 2012.
- (4) On 23 December 2011, the Group increased its shareholdings in AIS from 21.3% to 23.3%, up 2% points.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution	Quarter				YOY Chge %	Year				YOY Chge %
	31 Mar					31 Mar				
	2012		2011			2012		2011		
	S\$ m	% ⁽¹⁾	S\$ m	% ⁽¹⁾		S\$ m	% ⁽¹⁾	S\$ m	% ⁽¹⁾	
Airtel										
- ordinary results (South Asia)	110		166		-33.8	474		726		-34.8
- ordinary results and acquisition financing cost (Africa)	(28)		(38)		-26.5	(113)		(118)		-4.3
- exceptional item	-		-		-	(5)		(5)		-8.2
	82	8	128	13	-36.0	356	10	604	16	-41.0
Telkomsel										
- ordinary results	171		142		20.2	670		638		5.0
- exceptional item	(5)		-		nm	(5)		-		nm
	165	16	142	14	16.4	665	18	638	17	4.2
AIS ^{(2) (3)}	85	8	49	5	72.9	249	7	191	5	30.7
Globe Telecom										
- ordinary results	37		41		-8.6	131		132		-1.2
- exceptional item	-		-		-	-		5		nm
	37	4	41	4	-8.6	131	4	138	4	-5.0
PBTL										
- ordinary results	(6)		(4)		68.6	(28)		(16)		73.6
- exceptional item	(8)		-		nm	*		-		nm
	(14)	(1)	(4)	**	285.7	(29)	(1)	(16)	**	76.1
Warid										
- ordinary results	(14)		(12)		17.4	(56)		(55)		3.1
- exceptional item	-		-		-	-		(7)		nm
	(14)	(1)	(12)	(1)	17.4	(56)	(2)	(62)	(2)	-8.6
Regional mobile associates	342	33	344	35	-0.7	1,316	36	1,492	39	-11.8
Other SingTel associates	28	3	32	3	-13.5	98	3	110	3	-10.7
SingTel share of post-tax profit⁽²⁾	369	36	376	38	-1.8	1,414	39	1,602	42	-11.7
Optus share of post-tax profit	(2)	**	*	**	nm	(7)	**	(2)	**	323.5
Group share of post-tax profit⁽²⁾	367	36	376	38	-2.4	1,407	38	1,601	42	-12.1

Notes:

- (1) The above table shows the post-tax profit contribution of the associates to the Group's underlying net profit.
- (2) Share of results for the year ended 31 March 2012 excluded the Group's share of AIS' one-time write-back of deferred tax asset arising from a reduction in Thailand's corporate tax rate which has been classified as exceptional item of the Group.
- (3) In the June 2011 quarter, the Group aligned AIS' reporting period to the Group for consolidation purposes. AIS' results for its year ended 31 March 2012 have been equity accounted as part of the Group's ordinary results for the year ended 31 March 2012. The Group's share of AIS' results for its quarter ended 31 March 2011 had accordingly been classified as exceptional item of the Group for the year ended 31 March 2012.

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012	2011		2012	2011	
	S\$ m	S\$ m		S\$ m	S\$ m	
SingTel share of associates' tax	(155)	(138)	11.9	(590)	(539)	9.6
Optus share of associates' tax	(2)	-	nm	(7)	(2)	323.5
Group share of associates' tax (a)	(157)	(138)	13.5	(597)	(540)	10.6
Group share of associates' pre-tax profit (b)	524	514	1.9	2,005	2,141	-6.4
Effective tax rate (a)/(b)	30.0%	26.9%		29.8%	25.2%	
Effective tax rate (ex-Bharti Africa)	26.0%	23.0%		26.7%	22.9%	

SECTION IV : ASSOCIATES/ JOINT VENTURES

The Group's share of associates' ordinary pre-tax profits grew 4.8%, a turnaround from previous quarters' decline mainly on higher contributions from Telkomsel and AIS. The growth was despite unfavourable foreign exchange movements and fair value losses compared to the same quarter last year. In particular, the steep 12% depreciation of the Indian Rupee against the Singapore Dollar had reduced Airtel's profit contribution. Excluding the currency translation impact, the associates' ordinary pre-tax contributions would have grown 9.4% and further excluding fair value losses, ordinary pre-tax contributions would have increased 13%.

Telkomsel and AIS delivered robust revenue growth and higher profits amid stable market conditions. In the Philippines, Globe registered revenue growth though overall profit declined due to higher network related costs as well as marketing and subsidy expenses. In South Asia, Airtel recorded healthy growth in operating revenue and EBITDA in a highly competitive market, underpinned by increased customer additions and strong mobile traffic growth. Overall earnings, however, were impacted by higher depreciation, licence fee amortisation and interest costs related to 3G rollout. Airtel Africa posted robust double-digit revenue and EBITDA growth on the back of network expansion and growing customer base. Airtel's total customer base (including fixed) across 20 countries crossed the 250-million mark as at 31 March 2012 and it was the first to launch 4G TD-LTE service in India.

The associates contributed 36% to the Group's underlying net profit, 2 percentage points lower than a year ago mainly from Airtel's lower contribution.

For the year ended 31 March 2012, the Group's share of the associates' pre-tax and post-tax profits declined 6.4% and 12% respectively, on weaker regional currencies and higher fair value losses. If the regional currencies had remained stable from a year ago, the pre-tax and post-tax contributions of the associates would have declined by 1.1% and 7.4% respectively.

Bharti Telecom Group ("Airtel")

Airtel is India's leading private sector provider of telecommunications services, offering mobile, fixed line, long distance, broadband and enterprise services. It is listed on the National Stock Exchange and the Stock Exchange, Mumbai and is the first private telecom operator with an 'all India' presence offering mobile services in all 22 licenced circles. Airtel is the largest mobile phone operator in India.

India, Bangladesh and Sri Lanka ("South Asia")

Airtel launched 'Airtel Money', India's first telco-led mobile wallet service, on a nationwide basis in the quarter. It launched 4G TD-LTE service in Kolkata in April 2012, another first in India.

Operating revenue was up 10% year-on-year while EBITDA rose 6% in a highly competitive market, fuelled by increased customer additions and strong mobile traffic growth of 9% in India. Airtel's pre-tax operating profit contribution (before fair value adjustments), was however down 11% in Indian Rupee terms due to higher interest costs, depreciation and amortisation expenses associated with 3G rollout.

In Singapore Dollar terms, including the Group's share of fair value losses of S\$8 million (Q4 FY2011: S\$1 million) and with the significant 12% decline in the Indian Rupee against the Singapore Dollar, Airtel's pre-tax contribution was down 25% to S\$148 million.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Compared to the preceding quarter, revenue grew 2% while EBITDA was up 5% as total mobile traffic in India increased 5%.

Airtel's effective tax rate increased with reduction in tax holiday benefits in India. Consequently, post-tax contribution from South Asia operations declined 34% to S\$110 million.

Africa

In the quarter, Airtel accelerated the rollout of 3G services by launching the services in 5 more African countries (namely, Ghana, Sierra Leone, Kenya, Nigeria and Tanzania). Airtel is now offering 3G services in 7 countries in Africa.

Airtel Money was launched in 3 countries namely Malawi, DRC and Gabon, bringing the total countries to 8.

On 30 March 2012, Airtel launched its operations in Rwanda, thereby expanding its footprint to 17 countries in the African continent.

In this quarter, the African operations continued to perform strongly. Airtel Africa registered operating revenue growth of 16% to US\$1.07 billion on the back of network expansion and growing customer base. The improvement was despite a 9-day national strike in January 2012 in Nigeria, Airtel's largest market in Africa.

EBITDA was up a robust 33% to US\$298 million on higher revenue, scale benefits and cost efficiencies.

The Group's share of pre-tax operating profit for the quarter amounted to S\$19 million, compared to S\$3 million in the corresponding quarter. After including S\$22 million (Q4 FY2011: S\$22 million) of related acquisition financing costs and S\$6 million of fair value losses (Q4 FY2011: S\$4 million), overall pre-tax loss from Airtel Africa in the quarter was S\$9 million, a 60% reduction compared to S\$23 million in the corresponding quarter.

Some of the operating companies within the Airtel Africa group are profitable and with the associated tax expense, the Group's share of post-tax loss amounted to S\$28 million, 27% lower than the same quarter last year.

Compared to the preceding quarter, EBITDA improved 6% underpinned by revenue growth of 1% coupled with lower selling and administrative expenses. The mobile customer base grew 2.2 million or 4.3% from a quarter ago to reach 53.1 million as at 31 March 2012.

Overall

Overall, the pre-tax and post-tax contributions from Airtel were down 20% and 36% respectively.

Airtel contributed 8% to the Group's underlying net profit, down 5 percentage points from 13% a year ago

SECTION IV : ASSOCIATES/ JOINT VENTURES

In this quarter, Airtel added 5.6 million mobile customers in India, compared to 2.9 million in the preceding quarter, bringing its mobile customer base to 181 million as at 31 March 2012. Including mobile customers across operations in 20 countries covering India, Bangladesh, Sri Lanka and across Africa, Airtel's aggregate mobile customer base reached 241 million as at 31 March 2012, an increase of 8.2 million from a quarter ago. Overall, Airtel's total customer base (including fixed) crossed the 250 million mark to reach 252 million as at 31 March 2012.

PT Telekomunikasi Selular ("Telkomsel")

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with over 44,000 radio base stations (including 3G Node B) providing nationwide coverage.

EBITDA improved a robust 13% underpinned by strong revenue growth of 9% on price optimisation programs and continued customer growth amid stable market conditions. With lower financing charges on reduced borrowings, the Group's share of Telkomsel's pre-tax operating profit (before fair value adjustments) grew 28% in Indonesian Rupiah terms.

The Group's share of fair value losses amounted to S\$2 million compared to S\$5 million gains in the corresponding quarter. With the 3% depreciation of the Indonesian Rupiah against the Singapore Dollar, the Group's share of Telkomsel's ordinary pre-tax profit in Singapore Dollar terms increased 20% to S\$229 million.

On a post-tax basis, Telkomsel's contribution for the quarter was up 16% to S\$165 million, constituting 16% of the Group's underlying net profit, up 2 percentage points from a year ago.

Compared to the preceding quarter, revenue declined 3% on seasonality while EBITDA was stable.

In the quarter, Telkomsel added 2.9 million mobile customers, similar to the preceding quarter. Total mobile customer base stood at 110 million, up 10.5 million or 11% from a year ago. Telkomsel's market share was at approximately 43.3% as at 31 March 2012, up 0.4% point from a quarter ago.

Telkomsel continued to roll out its network, deploying around 2,200 radio base stations in the quarter, compared to 1,600 installed in the preceding quarter.

Advanced Info Service ("AIS")

AIS is the largest mobile communications operator in Thailand and is listed on the Stock Exchange of Thailand.

In the March quarter, AIS' service revenue (excluding interconnection) was up 12% primarily on higher non-voice revenue, which surged a robust 32% on strong mobile data demand with the rising trend of social networks and smart device adoption. EBITDA rose 10% after including higher revenue sharing expenses and network costs. With lower depreciation and amortisation expenses on an increased base of fully amortised assets, AIS recorded a 27% increase in pre-tax profit for March 2012 quarter compared to the same quarter last year. Post-tax profit rose a higher 42% on reduction in corporate tax rates.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Compared to the preceding quarter, AIS' service revenue (excluding interconnection) was up 3%. EBITDA grew a higher 10% partly due to rebranding and flood related expenses recorded in the December quarter.

AIS' post-tax profit contributed 8% to the Group's underlying net profit, compared to 5% a year ago.

AIS added 678,000 mobile customers this quarter, compared to 696,000 in the preceding quarter. Year-on-year, AIS' customer base grew 2.2 million or 6.8% to 34.1 million. As at 31 March 2012, AIS continued to lead the market with approximately 44.7% market share, up 0.3% point from a quarter ago.

Globe Telecom, Inc ("Globe")

Globe is the second largest mobile communications service provider in the Philippines and is listed on the Philippine Stock Exchange.

In the current quarter, Globe's service revenue grew 6% against the corresponding period. Mobile revenue was up 6% driven by customer growth in all segments despite an intensely competitive market. Postpaid customers in particular grew 34% from a year ago on strong take-up of customisable postpaid plans. Broadband growth remained strong, with revenue up 13% fuelled by growing demand for internet connectivity particularly in the mobile broadband segment.

Operating expenses increased 16% on higher network related costs as well as marketing and subsidy expenses. Consequently, EBITDA declined 5%. With stable depreciation expense, pre-tax operating profit contribution from Globe declined 12% in Philippine Peso terms.

Including fair value adjustments and with the Peso stable against the Singapore Dollar, the Group's share of Globe's pre-tax profit was down 11% to S\$52 million.

Compared to the preceding quarter, service revenue was stable while EBITDA improved 7%.

On a post-tax basis, Globe contributed 4% to the Group's underlying net profit, comparable to a year ago.

Globe added 984,000 mobile customers in the current quarter, from 922,000 in the preceding quarter. As at 31 March 2012, its mobile customer base was 31.0 million, up 14% or 3.7 million from a year ago.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Pacific Bangladesh Telecom Limited (“PBTL”)

PBTL is the only CDMA operator in Bangladesh and offers Evolution Data Only (EVDO) data services in key metro cities.

The Group's share of PBTL's pre-tax operating loss increased to S\$6 million on intense competition and higher amortisation expenses arising from licence renewal fee.

As at 31 March 2012, PBTL's total mobile customer base was 1.8 million, 39,000 or 2.1% lower than a quarter ago.

PBTL's carrying value was nil as at 31 March 2012 and the Group will cease to equity account for the losses of PBTL from 1 April 2012.

Warid Telecom (Private) Limited (“Warid”)

Warid launched its services in May 2005 and has a 15-year licence to operate GSM-mobile services in Pakistan, Azad Jammu and Kashmir, and the Northern areas.

In the current quarter, EBITDA improved 18% underpinned by 15% revenue growth. After accounting for financing costs, the Group's share of pre-tax operating loss of Warid increased 6.6% in Pakistani Rupee terms. Including fair value losses compared to gains in the corresponding quarter, the Group's share of overall pre-tax loss amounted to S\$14 million, 20% higher compared to the same quarter last year.

Against the preceding quarter, operating revenue was up 2% while EBITDA declined 7% on higher marketing expenses.

Warid's total mobile customer stood at 14.4 million as at 31 March 2012, 891,000 or 5.8% lower than a quarter ago.

Warid is currently in discussions with its lenders in relation to a proposed restructuring of its loan facilities. As at 31 March 2012, the outstanding principal amounted to approximately US\$758 million, net of hedging, and was secured by a floating charge on Warid's assets. In addition, US\$90 million of these loan facilities was guaranteed by SingTel and US\$512 million was secured by guarantees of the other shareholder group of Warid.

SECTION IV : ASSOCIATES/ JOINT VENTURES

PROFORMA INFORMATION

The following tables show unaudited proforma proportionate financial information which has been derived from the Income Statements of the Group prepared on a statutory basis.

Proportionate presentation is not required by Singapore GAAP and is not intended to replace the financial statements prepared in accordance with Singapore GAAP. However, since the associates are not consolidated on a line by line basis, proportionate information is provided as supplemental data to facilitate a better appreciation of the relative contribution from the Group's operations in Australia, Singapore and other regional markets.

Proportionate operating revenue	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Group operating revenue						
Singapore Business	1,717	1,661	3.4	6,551	6,401	2.3
Optus	3,063	2,982	2.7	12,275	11,670	5.2
	4,780	4,643	3.0	18,825	18,071	4.2
Proportionate share of operating revenue of associates						
Regional mobile associates	2,772	2,601	6.6	10,869	10,092	7.7
Singapore associates	78	61	26.2	273	245	11.1
Other overseas associates	36	35	1.7	137	134	2.7
	2,886	2,698	7.0	11,279	10,471	7.7
Enlarged revenue	7,666	7,341	4.4	30,104	28,542	5.5
% of overseas revenue to enlarged revenue	77%	77%		77%	77%	

In the quarter, overseas revenue contributed 77% to the Group's enlarged revenue, stable from a year ago.

SECTION IV : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA ⁽¹⁾	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Group EBITDA						
Singapore Business	575	551	4.4	2,242	2,253	-0.5
Optus	902	862	4.6	3,091	2,937	5.2
Group and Int'l business net corporate costs	(48)	(21)	125.1	(114)	(71)	61.6
	1,430	1,392	2.7	5,219	5,119	1.9
Proportionate share of associates' EBITDA						
Regional mobile associates	1,132	1,073	5.4	4,457	4,297	3.7
Singapore associates	25	20	25.0	90	88	2.4
Other overseas associates	35	32	11.7	119	113	5.0
	1,192	1,125	6.0	4,666	4,498	3.7
Total proportionate EBITDA	2,621	2,516	4.2	9,884	9,618	2.8
% of overseas proportionate EBITDA to total proportionate EBITDA	79%	78%		78%	76%	
Contributions to total proportionate EBITDA						
Regional mobile associates	43%	43%		45%	45%	
Australia	34%	34%		31%	31%	
Singapore	21%	22%		22%	24%	
Others	1%	1%		1%	1%	
	100%	100%		100%	100%	

Note:

(1) Proportionate EBITDA represents the Group's effective interests in the respective entities' EBITDA. As such, proportionate EBITDA does not represent EBITDA available to the Group.

Through its investments in key markets overseas, the Group has diversified its earnings base. Overseas operations contributed 79% to proportionate EBITDA, up 1 percentage point from a year ago.

Number of mobile customers (000s)	Total Number			Proportionate Share ⁽¹⁾		
	31 Mar	31 Dec	31 Mar	31 Mar	31 Dec	31 Mar
	2012	2011	2011	2012	2011	2011
SingTel	3,580	3,549	3,307	3,580	3,549	3,307
Optus	9,489	9,409	9,068	9,489	9,409	9,068
	13,069	12,958	12,375	13,069	12,958	12,375
Regional Mobile Associates						
Airtel						
- South Asia	188,008	182,000	167,713	60,764	58,822	54,088
- Africa	53,140	50,949	44,206	17,175	16,467	14,256
	241,148	232,950	211,919	77,939	75,289	68,344
Telkomsel	109,881	107,017	99,365	38,458	37,456	34,778
AIS	34,138	33,460	31,951	7,961	7,803	6,799
Globe	31,025	30,040	27,320	14,681	14,218	12,931
Warid	14,397	15,288	17,806	4,319	4,586	5,342
PBTL	1,786	1,825	1,788	804	821	805
	432,375	420,580	390,149	144,162	140,173	128,999
Group	445,444	433,538	402,524	157,231	153,131	141,374

Note:

(1) Proportionate share of mobile customers represents the number of mobile customers of an associate multiplied by the Group's effective percentage ownership in the venture at the respective dates.

SECTION IV : ASSOCIATES/ JOINT VENTURES

As at end March, the Group served 445 million mobile customers in 26 countries, 2.7% or 11.9 million more than a quarter ago. Year-on-year, the total customer base was up 11% or 42.9 million. On a proportionate share basis, the increase was 2.7% to 157 million customers from a quarter ago.

CASH DIVIDENDS RECEIVED FROM ASSOCIATES / JOINT VENTURES ⁽¹⁾

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Regional mobile associates						
Telkomsel ⁽²⁾						
- final dividend FY 2010 / FY 2009	-	-	-	434	480	-9.6
Globe ⁽³⁾						
- second dividend FY 2010 / FY 2009	-	-	-	55	74	-25.2
- first dividend FY 2011 / FY 2010	60	58	4.3	60	58	4.3
	60	58	4.3	115	132	-12.3
AIS ⁽⁴⁾						
- special dividend FY 2010	-	-	-	-	164	nm
- special dividend FY 2009	-	-	-	-	134	nm
- interim dividend FY 2011 / FY 2010	-	-	-	106	80	32.7
- final dividend FY 2010 / FY 2009	-	-	-	102	89	15.5
	-	-	-	208	466	-55.3
Airtel ⁽⁵⁾						
- final dividend FY 2011 / FY 2010	-	-	-	16	17	-7.6
	60	58	4.3	773	1,095	-29.4
Other associates						
Southern Cross ⁽⁶⁾	14	18	-23.2	42	52	-20.5
SingPost	6	6	-	31	31	-
International Cablesip						
- special dividend	54	-	nm	54	-	nm
- ordinary dividend	-	-	nm	8	8	-
	54	-	nm	62	8	@
Others	4	1	@	12	8	48.8
Total	138	82	67.7	920	1,194	-23.0
Total (ex-special dividends)	84	82	1.8	866	896	-3.4

Notes:

- (1) The cash dividends received from overseas associates as stated here are before related tax payments.
- (2) Telkomsel declared a full year dividend of 70% on net profit for its 2010 financial year (FY 2009: 70%). The Group's share of the dividend is approximately S\$434 million, of which S\$353 million had been received in the June 2011 quarter and S\$81 million was received in the December 2011 quarter.
Telkomsel declared a full year dividend of 80% on net profit for its 2011 financial year. The Group's share of the dividend is approximately S\$487 million, of which S\$390 million and S\$97 million are expected to be received in June 2012 quarter and September 2012 quarter respectively.
- (3) Globe's dividend policy is to pay ordinary dividend of 75% to 90% of prior year's core net profit, payable semi-annually. Globe declared a full year dividend of 86% of net profit for its 2011 financial year (FY 2010: 84%). The Group received its share of the first semi-annual dividend of S\$60 million in March 2012.
- (4) AIS' dividend policy is to pay dividend of at least 100% of net profit. Dividends will be paid twice a year, with an interim dividend distributed from the first half operating result and annual dividend distributed from the second half operating results. On 28 March 2012, AIS declared a final dividend of Baht 4.26 per share for its 2011 financial year. The Group received its share of the final dividend of S\$119 million in April 2012.
- (5) Airtel does not have a fixed dividend policy.
- (6) Southern Cross does not have a fixed dividend policy.

During the quarter, SingTel received S\$138 million dividends from associates, including the first semi-annual dividend of S\$60 million (Q4 FY2011: S\$58 million) from Globe in respect of its financial year ended 31 December 2011.

SECTION IV : ASSOCIATES/ JOINT VENTURES

KEY OPERATIONAL DATA

	Airtel ⁽¹⁾	Telkomsel	AIS	Globe	PBTL	Warid
SingTel's investment:						
Year of initial investment	2000	2001	1999	1993	2005	2007
Effective shareholding (%)	32.3%	35.0%	23.3%	47.3%	45.0%	30.0%
Investment to date	S\$2.31 bil	S\$1.93 bil	S\$1.20 bil	S\$1.02 bil	S\$238 mil	S\$1.31 bil
Closing market share price ⁽²⁾	INR 336.75	NA	THB 184 ⁽⁷⁾ THB 178 ⁽⁸⁾	PHP 1,134	NA	NA
Market capitalisation						
- Total	S\$31.72 bil	NA	S\$ 21.97 bil	S\$4.49 bil	NA	NA
- SingTel holding	S\$10.25 bil	NA	S\$ 5.05 bil	S\$2.08 bil	NA	NA
Operational Performance :						
Mobile penetration rate ⁽³⁾	75%	105%	119%	102%	54%	67%
Market share, 31 Mar 2012 ⁽³⁾	19.7%	43.3%	44.7%	31.9%	2.0%	12.3%
Market share, 31 Dec 2011 ⁽⁴⁾	19.7%	42.9%	44.4%	32.0%	2.1%	13.5%
Market position ^{(3) (5)}	#1	#1	#1	#2	#5	#5
Mobile customers ('000)						
- Aggregate	241,148	109,881	34,138	31,025	1,786	14,397
- Proportionate	77,939	38,458	7,961	14,681	804	4,319
Growth in mobile customers (%) ⁽⁶⁾	14%	11%	6.8%	14%	-0.1%	-19%
Credit ratings						
- Sovereign (Moody's/ S&P's)	Baa3/BBB-	Baa3/BB+	Baa1/BBB+	Ba2/BB	Ba3/BB-	B3/B-
- Company (Moody's/ S&P's)	NA/BB+	Baa1/BBB-	NA/A-	NA	NA	NA

Notes:

- (1) Mobile penetration rate, market share and market position pertain to India market only.
 - (2) Based on closing market price on 31 March 2012, in local currency.
 - (3) Based on actual or estimated data available as at 31 March 2012.
 - (4) Based on actual data a quarter ago.
 - (5) Based on number of mobile customers.
 - (6) Compared against 31 March 2011 and based on aggregate mobile customers.
 - (7) Based on local market price quoted on the Stock Exchange of Thailand.
 - (8) Based on foreign market price quoted on the Stock Exchange of Thailand.
- NA Denotes not applicable.

Please refer to **Appendix 4** for the currency rate movements of the major associates.

SECTION V : GLOSSARY

“ACCC”	Australian Competition And Consumer Commission.
“ARPU”	Average revenue per user.
“Associate”	Refers to an associate and/or a joint venture company under Singapore Financial Reporting Standard.
“DEL”	Direct exchange lines, which are telephone lines connected directly to a telephone switch.
“EI”	Exceptional items, which refer to items of income or expense within profit or loss from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the financial period.
“EBIT”	Earnings before interest and tax.
“EBITDA”	Effective this financial year, EBITDA refers to earnings before interest, tax, depreciation and amortisation, namely the aggregate of operating revenue and other income less operating expenses of the Singapore and Australia operations, and excludes the share of pre-tax results of associates and excludes exceptional items.
“EBITDA margin”	Ratio of EBITDA over operating revenue.
“EPS”	Earnings per share.
“FRS”	Financial Reporting Standard.
“Free Cash Flow”	Free cash flow refers to cash flow from operating activities less cash capital expenditure.
“GDP”	Gross Domestic Product.
“HFC”	Hybrid fibre coaxial cable, a system that has the potential to deliver voice, video and data via fibre optic cable for long haul transmission and via coaxial cable for short haul transmission.
“ICT”	Infocomm Technology.
“IP”	Internet Protocol.
“IP VPN”	Internet Protocol Virtual Private Network.
“MMS”	Multimedia messaging service.
“MOU”	Minutes of use per subscriber.
“NA”	Not applicable.
“ND”	Not disclosed.
“NetLink Trust”	NetLink Trust, a business trust established as part of IDA’s effective open access requirements under Singapore’s Next Generation National Broadband Network, is currently 100% owned by SingTel. NetLink Trust is equity accounted as an associate in the Group as SingTel does not control it. Hence, SingTel’s transactions with NetLink Trust are not eliminated on a line-by-line basis.
“NCS”	NCS Pte Ltd, SingTel’s wholly-owned subsidiary, and its subsidiaries.
“NM”	Not meaningful.
“OpenNet”	OpenNet Pte Ltd, the Netco for Singapore’s Next Generation National Broadband Network, which SingTel has a 30% equity interest.
“Optus”	SingTel Optus Pty Limited, SingTel’s wholly-owned subsidiary, and its subsidiaries.
“SAI”	SingTel Australia Investment Ltd, SingTel’s wholly-owned subsidiary, which has 100% equity interest in Singapore Telecom Australia Investments Pty Limited (“STAI”).
“STAI”	Singapore Telecom Australia Investments Pty Limited, which has 100% equity interest in Optus.
“SMB”	Small and medium sized business.
“SMS”	Short message service.
“Singapore”	Unless expressly stated, the term refers to SingTel Group excluding Optus and the associates.
“Singapore Business”	Comprised both the Singapore Telco and IT businesses.
“SME”	Refers to small-medium businesses.
“ULL”	Unbundled Local Loop.
“Underlying net profit”	Defined as net profit before exceptional items and exchange differences on capital reductions of certain overseas subsidiaries, net of hedging, as well as significant exceptional items of associates.

NETLINK TRUST

In July 2011, 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. In September 2011, SingTel sold certain infrastructure assets, namely ducts and manholes used by OpenNet Pte. Ltd. and 7 exchange buildings and SingTel's business of providing duct and manhole services in respect of these assets to NetLink Trust, for an aggregate consideration of approximately S\$1.89 billion. SingTel is currently the sole unitholder of NetLink Trust.

Although currently 100% owned by SingTel, NetLink Trust is managed and operated by CityNet Infrastructure Management Pte. Ltd. in its capacity as trustee manager, and hence, it is equity accounted as an associate 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. In addition, SingTel's lease expenses paid to NetLink Trust and interest income earned from NetLink Trust are not eliminated on a line-by-line basis in the Group.

The net impact of NetLink Trust to the Group income statement comprised the following -

	Quarter	Year
	31 Mar	31 Mar
	2012	2012
	S\$ m	S\$ m
NetLink Trust's net loss	(6)	(19)
Amortisation of deferred disposal gain	5	12
Operating lease payments to NetLink Trust	(1)	(7)
Net interest income from NetLink Trust	(8)	(17)
	5	11
Net impact of NetLink Trust	(4)	(13)

NetLink Trust reported a net loss of S\$19 million since its establishment, comprising mainly costs to comply with structural separation requirements as well as interest expense on the unitholder's loan from SingTel, and after including revenue earned from SingTel.

GROUP SUMMARY INCOME STATEMENTS

For The Fourth Quarter Ended 31 March 2012

	Quarter							YOY Chge %
	31 Mar							
	2012			2012		2012	2011	
	Singapore S\$ m	SingTel Asso/JV S\$ m	Corp S\$ m	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	1,717	-	-	1,717	3,063	4,780	4,643	3.0
Operating expenses	(1,150)	-	(38)	(1,188)	(2,180)	(3,368)	(3,282)	2.6
Other income/ (expense)	567	-	(38)	530	883	1,413	1,360	3.8
	8	-	(10)	(2)	19	17	32	-46.5
EBITDA	575	-	(48)	528	902	1,430	1,392	2.7
- EBITDA margin	33.5%	-	nm	30.7%	29.5%	29.9%	30.0%	
Group & Int'l business net corp costs	(48)	-	48	-	-	-	-	-
Share of associates' pre-tax profits								
Regional mobile associates	-	510	-	510	-	510	479	6.4
Other associates	-	29	-	29	*	29	35	-17.4
- ordinary operations	-	539	-	539	*	539	514	4.8
- exceptional items	-	(15)	-	(15)	-	(15)	-	nm
	-	524	-	524	*	524	514	1.9
EBITDA and share of associates' pre-tax profits	528	524	-	1,051	902	1,953	1,906	2.5
Depreciation & amortisation	(146)	-	-	(146)	(362)	(508)	(500)	1.5
EBIT	382	524	-	905	540	1,446	1,406	2.8
Net finance (expense)/ income								
- net interest expense	(29)	-	-	(29)	(51)	(80)	(86)	-6.5
- other finance (expense)/ income	(14)	-	1	(13)	*	(13)	(6)	124.6
	(43)	-	1	(42)	(51)	(93)	(92)	1.6
Profit before exceptional items	339	524	1	863	489	1,353	1,314	2.9
Exceptional items	-	-	(4)	(4)	-	(4)	(6)	-33.3
Profit before tax	339	524	(3)	859	489	1,349	1,308	3.1
Taxation								
- current and deferred taxes	(22)	-	-	(22)	(131)	(153)	(161)	-4.8
- exceptional tax credit	270	-	-	270	-	270	-	nm
- share of taxes of associates	-	(155)	-	(155)	(2)	(157)	(138)	13.5
- withholding and other taxes ⁽¹⁾	-	-	(20)	(20)	-	(20)	(18)	12.4
	248	(155)	(20)	74	(133)	(60)	(317)	-81.1
Profit after tax	587	369	(23)	933	356	1,289	992	29.9
Minority interests	*	-	-	*	-	*	*	nm
Net profit	587	369	(23)	933	356	1,289	992	30.0
Net profit	587	369	(23)	933	356	1,289	992	30.0
Exclude :								
Exceptional items	-	-	4	4	-	4	6	-33.3
Exceptional tax credit	(270)	-	-	(270)	-	(270)	-	nm
Underlying net profit	317	369	(19)	667	356	1,023	998	2.5

Note:

(1) This comprised withholding taxes deducted at source or dividend distribution taxes paid by certain associates when dividends are remitted by the overseas associates. For accounting purpose, the dividend income and related withholding and other taxes are accrued when declared by the associates. Dividend income has no impact on the income statement of the Group as they are eliminated at Group. The cash inflows upon the receipt of dividend are shown in **Section IV**.

GROUP SUMMARY INCOME STATEMENTS

For The Year Ended 31 March 2012

	Year							YOY Chge %
	31 Mar							
	2012			2012		2012	2011	
	Singapore S\$ m	SingTel Asso/JV S\$ m	Corp S\$ m	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	6,551	-	-	6,551	12,275	18,825	18,071	4.2
Operating expenses	(4,354)	-	(105)	(4,459)	(9,251)	(13,710)	(13,082)	4.8
	2,197	-	(105)	2,092	3,024	5,116	4,989	2.5
Other income/ (expense)	45	-	(9)	36	67	103	130	-20.7
EBITDA	2,242	-	(114)	2,128	3,091	5,219	5,119	1.9
- EBITDA margin	34.2%	-	nm	32.5%	25.2%	27.7%	28.3%	
Group & Int'l business net corp costs	(114)	-	114	-	-	-	-	-
Share of associates' pre-tax profits								
Regional mobile associates	-	1,902	-	1,902	-	1,902	2,028	-6.2
Other associates	-	110	-	110	*	110	122	-9.8
- ordinary operations	-	2,013	-	2,013	*	2,013	2,150	-6.4
- exceptional items	-	(8)	-	(8)	-	(8)	(9)	-13.2
	-	2,005	-	2,005	*	2,005	2,141	-6.4
EBITDA and share of associates' pre-tax profits	2,128	2,005	-	4,133	3,091	7,223	7,260	-0.5
Depreciation & amortisation	(577)	-	-	(577)	(1,424)	(2,002)	(1,969)	1.7
EBIT	1,551	2,005	-	3,555	1,666	5,222	5,291	-1.3
Net finance expense								
- net interest expense	(173)	-	-	(173)	(176)	(350)	(334)	4.7
- other finance income	8	-	1	9	*	9	10	-9.3
	(165)	-	1	(164)	(177)	(341)	(324)	5.2
Profit before exceptional items	1,386	2,005	1	3,391	1,490	4,881	4,967	-1.7
Exceptional items	5	-	105	110	(24)	86	25	241.1
Profit before tax	1,390	2,005	106	3,501	1,466	4,967	4,993	-0.5
Taxation								
- current and deferred taxes	(87)	-	-	(87)	(434)	(521)	(524)	-0.6
- exceptional tax credit/ (expense)	270	-	(50)	220	7	227	-	nm
- share of taxes of associates	-	(590)	-	(590)	(7)	(597)	(540)	10.6
- withholding and other taxes	-	-	(87)	(87)	-	(87)	(106)	-18.2
	183	(590)	(137)	(544)	(434)	(978)	(1,170)	-16.4
Profit after tax	1,573	1,414	(31)	2,957	1,033	3,990	3,823	4.4
Minority interests	(1)	-	-	(1)	-	(1)	3	nm
Net profit	1,572	1,414	(31)	2,956	1,033	3,989	3,825	4.3
Net profit	1,572	1,414	(31)	2,956	1,033	3,989	3,825	4.3
Exclude :								
Exceptional items	(5)	-	(105)	(110)	24	(86)	(25)	241.1
Exceptional tax (credit)/ expense	(270)	-	50	(220)	(7)	(227)	-	nm
Underlying net profit	1,298	1,414	(86)	2,626	1,049	3,676	3,800	-3.3

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2012			2012		
	S\$ m	%	%	S\$ m	%	%
Operating revenue	4,780	3.0	0.5	18,825	4.2	1.4
Operating expenses	(3,368)	2.6	0.1	(13,710)	4.8	1.9
	1,413	3.8	1.4	5,116	2.5	0.1
Other income	17	-46.5	-49.1	103	-20.7	-23.1
EBITDA	1,430	2.7	0.3	5,219	1.9	-0.5
-EBITDA margin	29.9%	-0.1%	-0.1%	27.7%	-0.6%	-0.5%
Share of associates' pre-tax profits						
- Airtel						
<i>India, Bangladesh, Sri Lanka</i>	148	-24.7	-15.7	628	-27.0	-18.9
<i>Africa</i>	(9)	-60.0	-55.5	(76)	-9.2	-1.4
<i>Airtel group</i>	139	-20.0	-10.4	551	-29.0	-20.8
- Telkomsel	229	20.4	23.8	898	5.1	9.6
- AIS	111	52.2	56.1	350	26.9	32.5
- Globe	52	-11.1	-11.6	187	-2.6	0.1
- PBTL	(6)	65.7	94.2	(28)	72.4	99.6
- Warid	(14)	19.5	26.3	(56)	2.8	12.1
Regional mobile associates	510	6.4	11.4	1,902	-6.2	-0.7
Other associates	29	-17.4	-17.4	110	-9.8	-9.8
- ordinary operations	539	4.8	9.4	2,013	-6.4	-1.2
- exceptional item	(15)	nm	nm	(8)	-13.2	-13.2
	524	1.9	6.5	2,005	-6.4	-1.1
EBITDA and share of associates' pre-tax profits	1,953	2.5	1.9	7,223	-0.5	-0.7
Depreciation & amortisation	(508)	1.5	-1.2	(2,002)	1.7	-1.3
EBIT	1,446	2.8	3.1	5,222	-1.3	-0.4
Net finance expense	(93)	1.6	-0.5	(341)	5.2	3.1
Profit before exceptional items	1,353	2.9	3.3	4,881	-1.7	-0.7
Exceptional items	(4)	-33.3	-33.3	86	241.1	241.2
Profit before tax	1,349	3.1	3.5	4,967	-0.5	0.5
Taxation	(60)	-81.1	-79.9	(978)	-16.4	-14.7
Profit after tax	1,289	-29.9	30.1	3,990	4.4	5.2
Minority interests	*	nm	nm	(1)	nm	nm
Net profit	1,289	30.0	30.2	3,989	4.3	5.1
Net profit	1,289	30.0	30.2	3,989	4.3	5.1
<i>Exclude:</i>						
Exceptional items	4	-33.3	-33.3	(86)	241.1	241.2
Exceptional tax credit	(270)	nm	nm	(227)	nm	nm
Underlying net profit	1,023	2.5	2.7	3,676	-3.3	-2.4

Note:

(1) Assuming constant exchange rates for the Australian Dollar and/ or regional currencies (Bangladesh Taka, Indian Rupee, Indonesian Rupiah, Pakistani Rupee, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2011.

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Mar 2012 (Audited) S\$ million	31 Dec 2011 (Unaudited) S\$ million	31 Mar 2011 (Audited) S\$ million
Current assets			
Cash and cash equivalents	1,346	1,520	2,738
Trade and other receivables	3,927	3,687	3,449
Asset held for sale	334	-	-
Derivative financial instruments	3	7	69
Inventories	208	279	299
	5,819	5,492	6,555
Non-current assets			
Property, plant and equipment	11,580	11,310	11,113
Intangible assets	10,174	10,185	10,218
Associates	212	228	172
Joint ventures	9,968	9,848	10,025
Available-for-sale investments	149	438	309
Derivative financial instruments	98	138	-
Deferred tax assets	963	668	764
Other non-current receivables	130	141	126
Loan to an associate	1,325	1,325	-
	34,599	34,280	32,727
Total assets	40,418	39,772	39,282
Current liabilities			
Trade and other payables	5,053	4,387	4,450
Current tax liabilities	299	340	392
Interim dividend payable	-	1,084	-
Borrowings (unsecured)	106	106	2,673
Borrowings (secured)	25	25	26
Derivative financial instruments	23	17	1,000
Deferred gain	29	29	-
	5,535	5,988	8,541
Non-current liabilities			
Borrowings (unsecured)	8,470	8,611	4,544
Borrowings (secured)	192	195	43
Advance billings	728	741	707
Deferred income	17	19	23
Deferred gain	1,061	1,066	-
Derivative financial instruments	508	422	586
Deferred tax liabilities	244	312	295
Other non-current liabilities	214	219	194
	11,434	11,584	6,391
Total liabilities	16,970	17,572	14,932
Net assets	23,448	22,200	24,350
Share capital and reserves			
Share capital	2,632	2,631	2,623
Reserves	20,795	19,546	21,706
Equity attributable to shareholders of the Company	23,428	22,177	24,328
Minority interests	20	23	22
Total equity	23,448	22,200	24,350

CURRENCY RISK MANAGEMENT & OTHER MATTERS

The Group maintains a policy of hedging known foreign currency exposures related to commercial commitments or transactions. These commitments or transactions include payment of operating expenses, traffic settlement, capital expenditure, interest and debt. Translation risks of foreign currency EBITDA and net investments are not hedged unless specifically approved by the Board.

Financial instruments such as foreign currency forward contracts and cross currency swaps are used only to hedge underlying commercial exposures and are not held or sold for speculative purposes. All hedging transactions are reviewed regularly.

To minimise the adverse impact of foreign exchange movements on the Group's financial position, the Group determines the appropriate debt currency mix by matching it to the currency mix of the Group's underlying cash flows.

Debt Currency Mix	As at		
	31 Mar	31 Dec	31 Mar
	2012	2011	2011
SGD	65%	60%	61%
AUD	35%	40%	39%
Total	100%	100%	100%

The debt currency mix is constantly being reviewed and aligned with the Group's cash flows.

CREDIT RATINGS

As at 31 Mar 2012	SingTel	Optus
Standard & Poor's	A+ (stable)	A+ (stable)
Moody's Investors Service	Aa2 (stable)	Aa3 (stable)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate ⁽¹⁾ for:							
Operating revenue							
<u>SGD</u>							
FY11/12	1.3176	1.2870	1.3033	1.3339	1.3022	1.3182	1.3103
FY10/11	1.2276	1.2272	1.2875	1.2838	1.2274	1.2857	1.2570
<i>Change (last corresponding period)</i>	7.3%	4.9%	1.2%	3.9%	6.1%	2.5%	4.2%
Underlying net profit							
<u>SGD</u>							
FY11/12	1.3163	1.2833	1.3048	1.3322	1.2994	1.3213	1.3115
FY10/11	1.2257	1.2298	1.2892	1.2840	1.2278	1.2860	1.2601
<i>Change (last corresponding period)</i>	7.4%	4.4%	1.2%	3.8%	5.8%	2.7%	4.1%

Note:

(1) The monthly income statement of Optus is translated from Australian Dollar to Singapore Dollar based on the average exchange rate for the month. These rates represent the derived weighted average exchange rates for the Australian Dollar for the period to date.

1 Singapore Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
<u>Rupiah</u>							
FY11/12	6,944	7,042	6,993	7,194	6,997	7,093	7,046
FY10/11	6,536	6,623	6,897	6,993	6,580	6,942	6,751
<i>Change (last corresponding period)</i>	6.2%	6.3%	1.4%	2.9%	6.3%	2.2%	4.4%
<u>Indian Rupee</u>							
FY11/12	36.1	37.3	39.5	39.7	36.7	39.6	38.1
FY10/11	32.8	34.2	34.5	35.5	33.5	35.0	34.2
<i>Change (last corresponding period)</i>	10.1%	9.1%	14.5%	11.8%	9.6%	13.1%	11.4%
<u>Baht</u>							
FY11/12	24.4	24.6	24.1	24.5	24.5	24.3	24.4
FY10/11	23.3	23.3	23.0	23.9	23.3	23.5	23.4
<i>Change (last corresponding period)</i>	4.7%	5.6%	4.8%	2.5%	5.2%	3.4%	4.3%
<u>Peso</u>							
FY11/12	34.8	34.8	33.8	34.0	34.8	33.9	34.4
FY10/11	32.7	33.3	33.4	34.2	33.0	33.9	33.5
<i>Change (last corresponding period)</i>	6.4%	4.5%	1.2%	-0.6%	5.5%	**	2.7%
<u>Taka</u>							
FY11/12	59.2	60.6	59.9	65.4	59.7	61.8	61.0
FY10/11	49.8	51.3	54.1	55.6	50.3	55.5	52.7
<i>Change (last corresponding period)</i>	18.9%	18.1%	10.7%	17.6%	18.7%	11.4%	15.7%
<u>Pakistani Rupee</u>							
FY11/12	69.0	70.9	68.0	71.9	69.9	70.0	69.9
FY10/11	60.6	63.3	65.8	67.1	61.8	66.4	64.3
<i>Change (last corresponding period)</i>	13.9%	12.0%	3.3%	7.2%	13.1%	5.4%	8.7%

OPTUS FINANCIALS IN SINGAPORE DOLLARS

Optus' contribution to the Group summary income statements (in Singapore Dollars) –

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Operating revenue	3,063	2,982	2.7	12,275	11,670	5.2
Operating expenses	(2,180)	(2,140)	1.9	(9,251)	(8,810)	5.0
Other income	19	21	-8.7	67	77	-13.1
EBITDA	902	862	4.6	3,091	2,937	5.2
- EBITDA margin	29.5%	28.9%		25.2%	25.1%	
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	902	862	4.6	3,091	2,937	5.2
Depreciation & amortisation	(362)	(353)	2.5	(1,424)	(1,418)	0.4
EBIT	540	510	6.0	1,666	1,519	9.7
Net finance expense	(51)	(37)	38.4	(177)	(131)	34.6
Profit before exceptional items	489	473	3.5	1,490	1,388	7.4
Exceptional items	-	-	-	(24)	-	nm
Profit before tax	489	473	3.5	1,466	1,388	5.7
Taxation	(133)	(137)	-2.6	(434)	(410)	5.7
Net profit	356	336	6.0	1,033	977	5.7
Net profit	356	336	6.0	1,033	977	5.7
<i>Exclude:</i>						
Exceptional items	-	-	-	24	-	nm
Tax on exceptional items	-	-	-	(7)	-	nm
Underlying net profit	356	336	6.0	1,049	977	7.4

Note:

The monthly income statement of Optus was translated from the Australian Dollar to Singapore Dollar based on the average exchange rate for the month. The derived weighted average exchange rates on translation of Optus income statement is shown in **Appendix 4**.

OPTUS FINANCIALS IN SINGAPORE DOLLARS

Optus' contribution to the Group operating revenue in Singapore Dollars –

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2012 S\$ m	2011 S\$ m		2012 S\$ m	2011 S\$ m	
Mobile communications	1,555	1,538	1.1	6,255	5,931	5.5
Data & Internet	505	487	3.7	1,970	1,875	5.1
National telephone	379	376	0.6	1,499	1,512	-0.9
Sale of equipment	301	301	0.2	1,353	1,246	8.6
IT & Engineering	169	129	30.9	574	493	16.5
International telephone	76	85	-9.7	317	342	-7.3
Others	78	66	18.3	307	271	13.1
Total	3,063	2,982	2.7	12,275	11,670	5.2

Optus' contribution to certain Group items in the statement of financial position were –

	As at		
	31 Mar 2012 S\$ m	31 Dec 2011 S\$ m	31 Mar 2011 S\$ m
Property, plant and equipment (net)	8,173	8,131	7,943
Gross debt			
Current debt	8	8	6
Non-current debt	2,840	3,344	2,030
Gross debt as reported in statement of financial position	2,848	3,353	2,036
Related net hedging liability	249	255	274
	3,098	3,608	2,311
Less: Cash and bank balances	(543)	(591)	(536)
Net debt	2,555	3,016	1,774
	A\$ m	A\$ m	A\$ m
Property, plant and equipment (net)	6,247	6,154	6,099
Gross debt			
Current debt	6	6	5
Non-current debt	2,171	2,531	1,559
Gross debt as reported in statement of financial position	2,177	2,537	1,563
Related net hedging liability	191	193	211
	2,368	2,730	1,774
Less: Cash and bank balances	(415)	(447)	(412)
Net debt	1,953	2,283	1,362