



**SINGAPORE TELECOMMUNICATIONS LIMITED  
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT  
FOR THE THIRD QUARTER AND NINE MONTHS  
ENDED 31 DECEMBER 2011**

<b><u>Contents</u></b>	<b><u>Page</u></b>
Consolidated income statement .....	1
Consolidated statement of comprehensive income .....	2
Statements of financial position (Group and Company) .....	3
Statements of changes in equity (Group and Company) .....	4
Consolidated statement of cash flows .....	12
Selected notes to the interim financial statements .....	15
Dividends .....	21
Group segment information.....	26
Other information .....	29
Confirmation by the Board .....	30
Independent Auditors' review report .....	31

**CONSOLIDATED INCOME STATEMENT (UNAUDITED)***For the third quarter and nine months ended 31 December 2011*

	Notes	Quarter 31 Dec		Nine Months 31 Dec	
		2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
Operating revenue		<b>4,830.3</b>	4,703.6	<b>14,045.1</b>	13,428.1
Operating expenses		<b>(3,605.6)</b>	(3,468.3)	<b>(10,342.2)</b>	(9,799.3)
Other income	2	<b>31.0</b>	48.6	<b>86.3</b>	98.6
		<b>1,255.7</b>	1,283.9	<b>3,789.2</b>	3,727.4
Depreciation and amortisation	3	<b>(498.5)</b>	(503.3)	<b>(1,494.0)</b>	(1,468.7)
		<b>757.2</b>	780.6	<b>2,295.2</b>	2,258.7
Exceptional items	4	<b>32.5</b>	60.3	<b>10.6</b>	61.7
<b>Profit on operating activities</b>		<b>789.7</b>	840.9	<b>2,305.8</b>	2,320.4
Associated and joint venture companies					
- share of ordinary results		<b>475.2</b>	518.2	<b>1,473.6</b>	1,635.6
- share of exceptional items	5	<b>(25.1)</b>	(31.0)	<b>36.7</b>	(40.6)
- share of tax		<b>(148.1)</b>	(119.2)	<b>(445.7)</b>	(406.8)
		<b>302.0</b>	368.0	<b>1,064.6</b>	1,188.2
<b>Profit before interest, investment income (net) and tax</b>		<b>1,091.7</b>	1,208.9	<b>3,370.4</b>	3,508.6
Interest and investment income (net)	6	<b>21.8</b>	32.8	<b>52.4</b>	41.7
Finance costs	7	<b>(104.1)</b>	(98.6)	<b>(299.9)</b>	(274.0)
<b>Profit before tax</b>		<b>1,009.4</b>	1,143.1	<b>3,122.9</b>	3,276.3
Tax expense	8	<b>(106.5)</b>	(145.5)	<b>(422.1)</b>	(445.4)
<b>Profit after tax</b>		<b>902.9</b>	997.6	<b>2,700.8</b>	2,830.9
<b>Attributable to:</b>					
Shareholders of the Company		<b>902.0</b>	998.2	<b>2,699.7</b>	2,833.6
Non-controlling interests		<b>0.9</b>	(0.6)	<b>1.1</b>	(2.7)
		<b>902.9</b>	997.6	<b>2,700.8</b>	2,830.9
<b>Earnings per share attributable to shareholders of the Company</b>					
- basic	10	<b>5.66¢</b>	6.28¢	<b>16.95¢</b>	17.79¢
- diluted	10	<b>5.65¢</b>	6.26¢	<b>16.91¢</b>	17.76¢

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)***For the third quarter and nine months ended 31 December 2011*

	Quarter		Nine Months	
	31 Dec		31 Dec	
	2011	2010	2011	2010
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Profit after tax</b>	<b>902.9</b>	997.6	<b>2,700.8</b>	2,830.9
<b>Other comprehensive (loss)/ income</b>				
Exchange differences arising from translation of foreign operations and other currency translation differences	(253.3)	(129.7)	(816.3)	(506.0)
Cash flow hedges				
- Fair value changes during the period	(60.4)	(255.1)	106.2	(199.8)
- Tax effects	39.3	60.3	(4.7)	(16.9)
	(21.1)	(194.8)	101.5	(216.7)
- Fair value changes transferred to income statement	142.7	210.8	(88.3)	121.7
- Tax effects	(40.5)	(47.3)	(1.7)	28.0
	102.2	163.5	(90.0)	149.7
	81.1	(31.3)	11.5	(67.0)
Fair value changes on available-for-sale ("AFS") investments during the period	66.8	5.3	72.9	32.7
Share of other comprehensive loss of associated and joint venture companies	(10.3)	(46.8)	(20.3)	(8.7)
Other comprehensive loss, net of tax	(115.7)	(202.5)	(752.2)	(549.0)
<b>Total comprehensive income</b>	<b>787.2</b>	795.1	<b>1,948.6</b>	2,281.9
<b>Attributable to:</b>				
Shareholders of the Company	786.6	795.7	1,947.6	2,284.6
Non-controlling interests	0.6	(0.6)	1.0	(2.7)
	787.2	795.1	1,948.6	2,281.9

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2011

	Notes	Group		Company	
		As at 31 Dec 11 S\$ Mil (Unaudited)	As at 31 Mar 11 S\$ Mil (Audited)	As at 31 Dec 11 S\$ Mil (Unaudited)	As at 31 Mar 11 S\$ Mil (Audited)
<b>Current assets</b>					
Cash and cash equivalents		1,519.8	2,738.0	295.6	223.3
Trade and other receivables		3,686.8	3,449.3	708.3	737.8
Due from subsidiaries		-	-	2,491.1	4,778.9
Derivative financial instruments		6.5	68.6	9.9	68.6
Inventories		279.0	299.3	48.3	71.7
		<b>5,492.1</b>	<b>6,555.2</b>	<b>3,553.2</b>	<b>5,880.3</b>
<b>Non-current assets</b>					
Property, plant and equipment		11,309.6	11,112.5	1,789.5	1,890.8
Intangible assets		10,185.2	10,218.3	1.8	2.0
Subsidiaries		-	-	6,578.1	7,734.1
Associated companies		228.1	172.4	592.1	24.7
Joint venture companies		9,847.8	10,024.5	24.1	34.1
AFS investments		438.0	309.1	38.7	38.6
Derivative financial instruments		137.5	-	167.0	22.9
Deferred tax assets		667.5	764.0	-	-
Loan to an associate	11	1,325.0	-	1,325.0	-
Other non-current receivables		141.2	126.3	264.4	270.8
		<b>34,279.9</b>	<b>32,727.1</b>	<b>10,780.7</b>	<b>10,018.0</b>
<b>Total assets</b>		<b>39,772.0</b>	<b>39,282.3</b>	<b>14,333.9</b>	<b>15,898.3</b>
<b>Current liabilities</b>					
Trade and other payables		4,387.0	4,450.4	884.7	1,022.1
Due to subsidiaries		-	-	886.2	553.4
Current tax liabilities		340.2	391.7	226.6	248.3
Borrowings (unsecured)	12	105.6	2,672.6	-	2,667.4
Borrowings (secured)	12	25.2	26.3	0.1	-
Derivative financial instruments		17.4	999.8	11.1	988.2
Deferred gain	11	29.0	-	-	-
Dividend payable		1,084.0	-	1,084.0	-
		<b>5,988.4</b>	<b>8,540.8</b>	<b>3,092.7</b>	<b>5,479.4</b>
<b>Non-current liabilities</b>					
Borrowings (unsecured)	12	8,611.0	4,544.1	934.8	734.5
Borrowings (secured)	12	194.7	42.6	157.6	-
Advance billings		741.2	706.6	175.5	157.7
Deferred income		18.5	22.6	2.6	2.9
Deferred gain	11	1,065.6	-	-	-
Derivative financial instruments		421.9	586.1	290.4	311.8
Deferred tax liabilities		312.3	295.3	190.6	177.8
Other non-current liabilities		218.7	193.9	13.3	17.7
		<b>11,583.9</b>	<b>6,391.2</b>	<b>1,764.8</b>	<b>1,402.4</b>
<b>Total liabilities</b>		<b>17,572.3</b>	<b>14,932.0</b>	<b>4,857.5</b>	<b>6,881.8</b>
<b>Net assets</b>		<b>22,199.7</b>	<b>24,350.3</b>	<b>9,476.4</b>	<b>9,016.5</b>
<b>Share capital and reserves</b>					
Share capital	13	2,631.3	2,622.8	2,631.3	2,622.8
Reserves		19,545.6	21,705.5	6,845.1	6,393.7
<b>Equity attributable to shareholders of the Company</b>		<b>22,176.9</b>	<b>24,328.3</b>	<b>9,476.4</b>	<b>9,016.5</b>
Non-controlling interests		22.8	22.0	-	-
<b>Total equity</b>		<b>22,199.7</b>	<b>24,350.3</b>	<b>9,476.4</b>	<b>9,016.5</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the third quarter ended 31 December 2011

Group - 2011	Attributable to shareholders of the Company										Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve <sup>(2) (3)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(4)</sup> S\$ Mil	Total S\$ Mil			
Balance as at 1 October 2011	2,629.6	(30.9)	(94.5)	(1,817.6)	(356.0)	62.2	23,319.7	(1,239.7)	22,472.8	22.2	22,495.0	
Changes in equity for the quarter												
Issue of new shares	1.7	-	-	-	-	-	-	-	1.7	-	1.7	
Performance shares purchased by Trust <sup>(5)</sup>	-	(6.1)	-	-	-	-	-	-	(6.1)	-	(6.1)	
Performance shares vested	-	0.2	(0.2)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	6.5	-	-	-	-	-	6.5	-	6.5	
Cash paid to employees under performance share plans	-	-	(0.6)	-	-	-	-	-	(0.6)	-	(0.6)	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.1)	0.1	-	-	-	
Interim dividend payable	-	-	-	-	-	-	(1,084.0)	-	(1,084.0)	-	(1,084.0)	
	1.7	(5.9)	5.7	-	-	-	(1,084.1)	0.1	(1,082.5)	-	(1,082.5)	
Total comprehensive (loss)/ income for the quarter	-	-	-	(253.0)	81.1	66.8	902.0	(10.3)	786.6	0.6	787.2	
<b>Balance as at 31 December 2011</b>	<b>2,631.3</b>	<b>(36.8)</b>	<b>(88.8)</b>	<b>(2,070.6)</b>	<b>(274.9)</b>	<b>129.0</b>	<b>23,137.6</b>	<b>(1,249.9)</b>	<b>22,176.9</b>	<b>22.8</b>	<b>22,199.7</b>	

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the third quarter ended 31 December 2011

Group - 2010	Attributable to shareholders of the Company										Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve <sup>(2)(3)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(4)</sup> S\$ Mil	Total S\$ Mil			
Balance as at 1 October 2010	2,621.4	(25.2)	(112.8)	(1,074.2)	(228.0)	49.0	23,643.1	(1,184.4)	23,688.9	23.4	23,712.3	
Changes in equity for the quarter												
Issue of new shares	0.4	-	-	-	-	-	-	-	0.4	-	0.4	
Performance shares purchased by Trust <sup>(5)</sup>	-	(2.1)	-	-	-	-	-	-	(2.1)	-	(2.1)	
Performance shares vested	-	0.1	(0.1)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	5.5	-	-	-	-	-	5.5	-	5.5	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.3)	0.3	-	-	-	
Interim dividend payable	-	-	-	-	-	-	(1,083.6)	-	(1,083.6)	-	(1,083.6)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.6)	(0.6)	
	0.4	(2.0)	5.4	-	-	-	(1,083.9)	0.3	(1,079.8)	(0.6)	(1,080.4)	
Total comprehensive (loss)/ income for the quarter	-	-	-	(129.7)	(31.3)	5.3	998.2	(46.8)	795.7	(0.6)	795.1	
<b>Balance as at 31 December 2010</b>	<b>2,621.8</b>	<b>(27.2)</b>	<b>(107.4)</b>	<b>(1,203.9)</b>	<b>(259.3)</b>	<b>54.3</b>	<b>23,557.4</b>	<b>(1,230.9)</b>	<b>23,404.8</b>	<b>22.2</b>	<b>23,427.0</b>	

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the third quarter ended 31 December 2011*

Company - 2011	Share Capital S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2011	2,629.6	(64.9)	(235.0)	28.0	7,499.0	9,856.7
Changes in equity for the quarter						
Issue of new shares	1.7	-	-	-	-	1.7
Equity-settled performance shares	-	2.4	-	-	-	2.4
Cash paid to employees under performance share plans	-	(0.6)	-	-	-	(0.6)
Contribution to Trust <sup>(5)</sup>	-	(3.5)	-	-	-	(3.5)
Interim dividend payable	-	-	-	-	(1,084.0)	(1,084.0)
	1.7	(1.7)	-	-	(1,084.0)	(1,084.0)
Total comprehensive income for the quarter	-	-	59.0	1.1	643.6	703.7
<b>Balance as at 31 December 2011</b>	<b>2,631.3</b>	<b>(66.6)</b>	<b>(176.0)</b>	<b>29.1</b>	<b>7,058.6</b>	<b>9,476.4</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the third quarter ended 31 December 2011

Company - 2010	Share Capital S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 October 2010	2,621.4	(69.5)	(203.3)	28.0	5,395.4	7,772.0
Changes in equity for the quarter						
Issue of new shares	0.4	-	-	-	-	0.4
Equity-settled performance shares	-	2.8	-	-	-	2.8
Contribution to Trust <sup>(5)</sup>	-	(0.5)	-	-	-	(0.5)
Interim dividend payable	-	-	-	-	(1,083.6)	(1,083.6)
	0.4	2.3	-	-	(1,083.6)	(1,080.9)
Total comprehensive (loss)/ income for the quarter	-	-	(2.5)	0.9	1,139.4	1,137.8
<b>Balance as at 31 December 2010</b>	<b>2,621.8</b>	<b>(67.2)</b>	<b>(205.8)</b>	<b>28.9</b>	<b>5,451.2</b>	<b>7,828.9</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32, **Financial Instruments: Disclosure and Presentation**.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associated and joint venture companies of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation losses of S\$361 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 31 December 2011 (as at 31 December 2010: S\$444 million).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) RBC Dexia Trust Services Singapore Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.



**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2011

Group - 2011	Attributable to shareholders of the Company										
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve <sup>(2) (3)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(4)</sup> S\$ Mil	Total S\$ Mil	Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2011	2,622.8	(27.1)	(102.9)	(1,254.4)	(286.4)	56.1	24,550.0	(1,229.8)	24,328.3	22.0	24,350.3
Changes in equity for the period											
Issue of new shares	8.5	-	-	-	-	-	-	-	8.5	-	8.5
Performance shares purchased by the Company	-	(0.5)	-	-	-	-	-	-	(0.5)	-	(0.5)
Performance shares purchased by Trust <sup>(5)</sup>	-	(12.7)	-	-	-	-	-	-	(12.7)	-	(12.7)
Performance shares vested	-	3.5	(3.5)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	19.7	-	-	-	-	-	19.7	-	19.7
Transfer of liability to equity	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)
Cash paid to employees under performance share plans	-	-	(0.9)	-	-	-	-	-	(0.9)	-	(0.9)
Performance shares purchased by SingTel Optus Pty Limited ("Optus") and vested	-	-	(1.0)	-	-	-	-	-	(1.0)	-	(1.0)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(0.2)	0.2	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)
Final dividend paid	-	-	-	-	-	-	(1,434.3)	-	(1,434.3)	-	(1,434.3)
Special dividend paid	-	-	-	-	-	-	(1,593.6)	-	(1,593.6)	-	(1,593.6)
Interim dividend payable	-	-	-	-	-	-	(1,084.0)	-	(1,084.0)	-	(1,084.0)
	8.5	(9.7)	14.1	-	-	-	(4,112.1)	0.2	(4,099.0)	(0.2)	(4,099.2)
Total comprehensive (loss)/ income for the period	-	-	-	(816.2)	11.5	72.9	2,699.7	(20.3)	1,947.6	1.0	1,948.6
<b>Balance as at 31 December 2011</b>	<b>2,631.3</b>	<b>(36.8)</b>	<b>(88.8)</b>	<b>(2,070.6)</b>	<b>(274.9)</b>	<b>129.0</b>	<b>23,137.6</b>	<b>(1,249.9)</b>	<b>22,176.9</b>	<b>22.8</b>	<b>22,199.7</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2011

Group - 2010	Attributable to shareholders of the Company										Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve <sup>(2)(3)</sup> S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves <sup>(4)</sup> S\$ Mil	Total S\$ Mil			
Balance as at 1 April 2010	2,616.3	(30.5)	(83.3)	(697.9)	(192.3)	21.6	23,082.1	(1,223.2)	23,492.8	23.2	23,516.0	
Changes in equity for the period												
Issue of new shares	5.5	-	-	-	-	-	-	-	5.5	-	5.5	
Performance shares purchased by the Company	-	(5.4)	-	-	-	-	-	-	(5.4)	-	(5.4)	
Performance shares purchased by Trust <sup>(5)</sup>	-	(21.5)	-	-	-	-	-	-	(21.5)	-	(21.5)	
Performance shares vested	-	30.2	(30.2)	-	-	-	-	-	-	-	-	
Equity-settled performance shares	-	-	17.5	-	-	-	-	-	17.5	-	17.5	
Transfer of liability to equity	-	-	2.3	-	-	-	-	-	2.3	-	2.3	
Cash paid to employees under performance share plans	-	-	(1.7)	-	-	-	-	-	(1.7)	-	(1.7)	
Performance shares purchased by Optus and vested	-	-	(12.0)	-	-	-	-	-	(12.0)	-	(12.0)	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(1.0)	1.0	-	-	-	
Final dividend paid	-	-	-	-	-	-	(1,273.7)	-	(1,273.7)	-	(1,273.7)	
Interim dividend payable	-	-	-	-	-	-	(1,083.6)	-	(1,083.6)	-	(1,083.6)	
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.3	2.3	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.6)	(0.6)	
	5.5	3.3	(24.1)	-	-	-	(2,358.3)	1.0	(2,372.6)	1.7	(2,370.9)	
Total comprehensive (loss)/ income for the period	-	-	-	(506.0)	(67.0)	32.7	2,833.6	(8.7)	2,284.6	(2.7)	2,281.9	
<b>Balance as at 31 December 2010</b>	<b>2,621.8</b>	<b>(27.2)</b>	<b>(107.4)</b>	<b>(1,203.9)</b>	<b>(259.3)</b>	<b>54.3</b>	<b>23,557.4</b>	<b>(1,230.9)</b>	<b>23,404.8</b>	<b>22.2</b>	<b>23,427.0</b>	

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the nine months ended 31 December 2011*

Company - 2011	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2011	2,622.8	-	(64.6)	(197.3)	29.0	6,626.6	9,016.5
Changes in equity for the period							
Issue of new shares	8.5	-	-	-	-	-	8.5
Performance shares purchased by the Company	-	(0.4)	-	-	-	-	(0.4)
Performance shares vested	-	0.4	(0.4)	-	-	-	-
Equity-settled performance shares	-	-	7.9	-	-	-	7.9
Transfer of liability to equity	-	-	(0.2)	-	-	-	(0.2)
Cash paid to employees under performance share plans	-	-	(0.9)	-	-	-	(0.9)
Contribution to Trust <sup>(5)</sup>	-	-	(8.4)	-	-	-	(8.4)
Final dividend paid	-	-	-	-	-	(1,435.7)	(1,435.7)
Special dividend paid	-	-	-	-	-	(1,594.0)	(1,594.0)
Interim dividend payable	-	-	-	-	-	(1,084.0)	(1,084.0)
	8.5	-	(2.0)	-	-	(4,113.7)	(4,107.2)
Total comprehensive income for the period	-	-	-	21.3	0.1	4,545.7	4,567.1
<b>Balance as at 31 December 2011</b>	<b>2,631.3</b>	<b>-</b>	<b>(66.6)</b>	<b>(176.0)</b>	<b>29.1</b>	<b>7,058.6</b>	<b>9,476.4</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

For the nine months ended 31 December 2011

Company - 2010	Share Capital S\$ Mil	Treasury Shares <sup>(1)</sup> S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2010	2,616.3	-	(58.8)	(167.2)	21.5	6,230.0	8,641.8
Changes in equity for the period							
Issue of new shares	5.5	-	-	-	-	-	5.5
Performance shares purchased by the Company	-	(5.4)	-	-	-	-	(5.4)
Performance shares vested	-	5.4	(3.2)	-	-	-	2.2
Equity-settled performance shares	-	-	8.4	-	-	-	8.4
Transfer of liability to equity	-	-	2.3	-	-	-	2.3
Cash paid to employees under performance share plans	-	-	(1.6)	-	-	-	(1.6)
Contribution to Trust <sup>(5)</sup>	-	-	(14.3)	-	-	-	(14.3)
Final dividend paid	-	-	-	-	-	(1,274.3)	(1,274.3)
Interim dividend payable	-	-	-	-	-	(1,083.6)	(1,083.6)
	5.5	-	(8.4)	-	-	(2,357.9)	(2,360.8)
Total comprehensive (loss)/ income for the period	-	-	-	(38.6)	7.4	1,579.1	1,547.9
<b>Balance as at 31 December 2010</b>	<b>2,621.8</b>	<b>-</b>	<b>(67.2)</b>	<b>(205.8)</b>	<b>28.9</b>	<b>5,451.2</b>	<b>7,828.9</b>

**Notes:**

- (1) 'Treasury Shares' are accounted for in accordance with Singapore Financial Reporting Standard ("FRS") 32, **Financial Instruments: Disclosure and Presentation**.
- (2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associated and joint venture companies of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation losses of S\$361 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 31 December 2011 (as at 31 December 2010: S\$444 million).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) RBC Dexia Trust Services Singapore Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

**CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2011*

	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
<b>Cash Flows from Operating Activities</b>				
Profit before tax	1,009.4	1,143.1	3,122.9	3,276.3
<b>Adjustments for</b>				
Depreciation and amortisation	498.5	503.3	1,494.0	1,468.7
Exceptional items	(32.5)	(60.3)	(34.1)	(61.7)
Interest and investment income (net)	(21.8)	(32.8)	(52.4)	(41.7)
Finance costs	104.1	98.6	299.9	274.0
Share of results of associated and joint venture companies (post-tax)	(302.0)	(368.0)	(1,064.6)	(1,188.2)
Other non-cash items	8.7	(2.5)	30.0	13.0
	<b>255.0</b>	<b>138.3</b>	<b>672.8</b>	<b>464.1</b>
<b>Operating cash flow before working capital changes</b>	<b>1,264.4</b>	<b>1,281.4</b>	<b>3,795.7</b>	<b>3,740.4</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	(104.1)	7.7	(305.7)	(121.2)
Trade and other payables	(5.6)	(45.7)	106.2	(53.9)
Inventories	57.3	(52.1)	21.4	(82.7)
Currency translation adjustments of subsidiaries	11.7	14.3	12.9	14.3
<b>Cash generated from operations</b>	<b>1,223.7</b>	<b>1,205.6</b>	<b>3,630.5</b>	<b>3,496.9</b>
Payment to employees in cash under performance share plans	(0.6)	-	(1.4)	(4.0)
Dividends received from associated and joint venture companies	96.0	401.1	782.3	1,112.0
Income tax and withholding tax paid	(134.2)	(113.5)	(366.2)	(258.4)
<b>Net cash inflow from operating activities</b>	<b>1,184.9</b>	<b>1,493.2</b>	<b>4,045.2</b>	<b>4,346.5</b>
<b>Cash Flows from Investing Activities</b>				
Dividends received from AFS investments	0.4	1.7	15.2	17.7
Interest received	3.7	15.4	21.7	26.3
Long term loans repaid by joint venture companies	-	-	-	1.4
Contribution from non-controlling interests	-	-	-	2.3
Investment in associated and joint venture companies	(340.0)	(517.4)	(915.0)	(549.0)
Investment in AFS investments	(8.5)	-	(56.0)	(0.1)
Proceeds from sale of AFS investments	0.2	0.8	0.2	0.8
Proceeds from sale of joint venture company	15.3	-	15.3	-
Balance carried forward	(328.9)	(499.5)	(918.6)	(500.6)

**CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2011*

	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
<b>Cash Flows from Investing Activities (continued)</b>				
Balance brought forward	(328.9)	(499.5)	(918.6)	(500.6)
Payment for purchase of property, plant and equipment	(550.7)	(501.8)	(1,582.1)	(1,482.9)
Advance payment for purchase of submarine cable capacity	-	-	(9.7)	(27.9)
Drawdown of prepaid submarine cable capacity	7.4	11.4	18.4	29.4
Proceeds from sale of property, plant and equipment	2.6	18.4	575.2	21.5
Purchase of intangible assets	(48.3)	(22.1)	(93.0)	(22.6)
Withholding tax paid on intra-group interest income	(80.7)	(85.3)	(88.8)	(86.7)
<b>Net cash outflow for investing activities</b>	<b>(998.6)</b>	<b>(1,078.9)</b>	<b>(2,098.6)</b>	<b>(2,069.8)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from term loans	2,903.0	0.3	3,167.1	638.3
Repayment of term loans	(131.4)	(223.8)	(389.0)	(1,958.3)
Proceeds from bond issue	526.7	-	997.5	1,997.1
Repayment of bonds	(2,612.3)	(4.5)	(2,612.3)	(568.6)
Finance lease payments	(7.4)	(7.2)	(23.1)	(15.5)
Net proceeds from/ (repayment of) borrowings	678.6	(235.2)	1,140.2	93.0
Settlement of swaps for bonds repaid	(922.0)	-	(922.0)	(217.6)
Net interest paid on borrowings and swaps	(150.2)	(147.4)	(337.0)	(302.8)
Purchase of performance shares	(6.1)	(2.1)	(14.5)	(39.4)
Final dividends paid to shareholders of the Company	-	-	(1,434.3)	(1,273.7)
Special dividends paid to shareholders of the Company	-	-	(1,593.6)	-
Dividends paid to non-controlling interests	-	(0.6)	(0.2)	(0.6)
Repayment of loan to non-controlling interests	-	-	-	(25.1)
Deposit in lieu of bankers' guarantee	-	-	0.8	-
Proceeds from issue of shares	1.7	0.4	8.5	5.5
<b>Net cash outflow for financing activities</b>	<b>(398.0)</b>	<b>(384.9)</b>	<b>(3,152.1)</b>	<b>(1,760.7)</b>
Net change in cash and cash equivalents	(211.7)	29.4	(1,205.5)	516.0
Exchange effects on cash and cash equivalents	2.4	(8.9)	(12.7)	(13.6)
Cash and cash equivalents at beginning of period	1,729.1	2,095.4	2,738.0	1,613.5
<b>Cash and cash equivalents at end of period</b>	<b>1,519.8</b>	<b>2,115.9</b>	<b>1,519.8</b>	<b>2,115.9</b>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2011*

For the purposes of the consolidated cash flow statements, cash and cash equivalents comprise:

	As at 31 Dec	
	2011	2010
	S\$ Mil	S\$ Mil
Fixed deposits	875.2	1,631.6
Cash and bank balances	644.6	484.3
	<u>1,519.8</u>	<u>2,115.9</u>

Note:

On 22 September 2011, Singapore Telecommunications Limited (“**SingTel**”) sold certain assets and related business to NetLink Trust, a 100%-owned associate of SingTel (see details on Note 11). A partial settlement of S\$567.4 million was made by NetLink Trust to SingTel and the remaining balance of S\$1,325 million was settled by a unitholder loan.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2011

**1. BASIS OF PREPARATION**

The Group prepares its condensed consolidated interim financial statements in accordance with Singapore Financial Reporting Standard (“FRS”) 34, *Interim Financial Reporting*. The same accounting policies and methods of computation have been applied in the preparation of the financial statements for the current quarter as the most recent audited financial statements as at 31 March 2011. The adoption of the new or revised FRS and Interpretations to FRS which became mandatory from 1 April 2011 did not result in substantial changes to the Group’s accounting policies.

**2. OTHER INCOME**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Rental income	1.3	1.4	3.7	3.7
Bad trade debts recovered	2.8	1.3	13.0	6.9
Net exchange (loss)/ gain - trade related	(1.7)	5.6	(8.1)	5.7
Net (loss)/ gain on disposal of property, plant and equipment	(0.3)	7.5	(0.6)	7.9
Others	28.9	32.8	78.3	74.4
	<b>31.0</b>	<b>48.6</b>	<b>86.3</b>	<b>98.6</b>

**3. DEPRECIATION AND AMORTISATION**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	469.8	461.6	1,401.3	1,390.3
Amortisation of intangibles	30.9	42.8	97.0	84.2
Amortisation of sale and leaseback income	(1.4)	(0.3)	(2.0)	(3.5)
Amortisation of deferred gain on sale of joint venture company	(0.8)	(0.8)	(2.3)	(2.3)
	<b>498.5</b>	<b>503.3</b>	<b>1,494.0</b>	<b>1,468.7</b>



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2011

**4. EXCEPTIONAL ITEMS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
<b>Exceptional gains</b>				
Fair value gain on purchase consideration payable for a joint venture company	-	38.0	-	38.0
Foreign exchange gain on a subsidiary's loan payable	27.7	25.2	28.2	25.2
Gain on dilution of interest in associated and joint venture companies	0.1	1.4	1.2	2.8
Gain on disposal of a joint venture company	4.7	-	4.7	-
	<b>32.5</b>	<b>64.6</b>	<b>34.1</b>	<b>66.0</b>
<b>Exceptional losses</b>				
Accrual of fine payment	-	(4.3)	-	(4.3)
Provision of ex-gratia payment on staff restructuring	-	-	(23.5)	-
	-	(4.3)	(23.5)	(4.3)
	<b>32.5</b>	<b>60.3</b>	<b>10.6</b>	<b>61.7</b>

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

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
Share of AIS' post-tax profits (Jan - Mar 2011) <sup>(1)</sup>	-	-	54.6	-
Write-back of provisions made in prior period	-	-	7.2	-
Reduction of deferred tax asset <sup>(2)</sup>	(25.1)	-	(25.1)	-
Brand launch related costs	-	(31.5)	-	(31.5)
Recognition of additional depreciation and finance charges	-	(7.0)	-	(7.0)
Recognition of deferred revenue	-	7.5	-	7.5
Transaction costs on acquisition	-	-	-	(9.6)
	<b>(25.1)</b>	<b>(31.0)</b>	<b>36.7</b>	<b>(40.6)</b>

**Notes:**

- (1) In the June 2011 quarter, the Group recorded AIS' results for the March 2011 quarter as an exceptional item following the alignment of AIS' reporting period to the Group.
- (2) In the current quarter, the Group recognised AIS' reduction of its deferred tax asset as a result of the lower corporate tax rate in Thailand effective from 2012.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2011

**6. INTEREST AND INVESTMENT INCOME (NET)**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011	2010	2011	2010
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest income from				
- bank deposits	5.1	15.6	22.0	26.0
- others	7.9	-	8.8	0.3
	13.0	15.6	30.8	26.3
Gross dividends from AFS investments	1.3	1.6	18.1	19.6
Fair value gains/ (losses) on hedging instruments	6.0	6.5	0.1	(4.0)
Fair value gains/ (losses) on fair value hedges				
- hedged item	152.6	381.6	(294.1)	485.7
- hedged instrument	(152.6)	(381.6)	294.1	(485.7)
	-	-	-	-
Net exchange gains/ (losses)	1.5	9.1	3.4	(0.2)
	<b>21.8</b>	<b>32.8</b>	<b>52.4</b>	<b>41.7</b>

**7. FINANCE COSTS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011	2010	2011	2010
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest expense on				
- bonds	91.4	95.4	298.5	257.1
- bank loans	14.0	3.1	17.5	26.7
- others	6.0	5.3	16.4	12.4
	111.4	103.8	332.4	296.2
Less: Amounts capitalised	(1.3)	-	(2.3)	-
	110.1	103.8	330.1	296.2
Effects of hedging using interest rate swaps	(8.1)	(8.5)	(36.1)	(28.1)
Unwinding of discounts (including adjustments)	2.1	3.3	5.9	5.9
	<b>104.1</b>	<b>98.6</b>	<b>299.9</b>	<b>274.0</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2011***8. TAX EXPENSE**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current and deferred tax expense attributable to current period's profits	<b>160.0</b>	177.0	<b>540.4</b>	516.2
Recognition of deferred tax assets on other temporary differences <sup>(1)</sup>	<b>(28.9)</b>	(31.5)	<b>(93.3)</b>	(92.0)
Current and deferred tax adjustments in respect of prior years <sup>(2)</sup>	<b>(24.6)</b>	-	<b>(25.0)</b>	21.2
	<b>106.5</b>	145.5	<b>422.1</b>	445.4

**Notes:**

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

(2) This included certain tax credits upon finalisation of earlier years' tax assessments.

**9. OTHER INCOME STATEMENT ITEMS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil	2010 S\$ Mil	2011 S\$ Mil	2010 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Impairment of trade receivables	<b>11.3</b>	37.3	<b>45.0</b>	105.3
Allowance for inventory obsolescence	<b>7.2</b>	-	<b>6.3</b>	3.6

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2011

**10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 '000 (Unaudited)	2010 '000 (Unaudited)	2011 '000 (Unaudited)	2010 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	<b>15,929,576</b>	15,926,071	<b>15,928,993</b>	15,925,621
Adjustment for dilutive effect of share options	<b>1,494</b>	4,960	<b>2,729</b>	5,169
Adjustment for dilutive effect of SingTel Performance Share Plan	<b>35,765</b>	23,415	<b>35,765</b>	23,415
Weighted average number of ordinary shares for calculation of diluted earnings per share	<b>15,966,835</b>	15,954,446	<b>15,967,487</b>	15,954,205

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

**11. SALE OF ASSETS AND BUSINESS TO NETLINK TRUST**

Group	As at 31 Dec 11 S\$ Mil (Unaudited)
<b>Loan to an associate</b>	<b>1,325.0</b>
<b>Deferred gain</b>	
Balance as at 1 October 2011	<b>1,097.5</b>
Amount deferred during the quarter	<b>4.3</b>
Amount recognised as income during the quarter	<b>(7.2)</b>
Balance as at 31 December 2011	<b>1,094.6</b>
Classified as -	
Current	<b>29.0</b>
Non-current	<b>1,065.6</b>
	<b>1,094.6</b>

On 22 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. SingTel had entered into conditional agreements to sell certain infrastructure assets, namely ducts and manholes used by OpenNet Pte. Ltd., a 29.9%-owned associated company of SingTel, and 7 exchange buildings ("**Assets**"), and SingTel's business of providing duct and manhole services in relation to the Assets ("**Business**"), to NetLink Trust, for an aggregate consideration of approximately S\$1.89 billion.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2011

**11. SALE OF ASSETS AND BUSINESS TO NETLINK TRUST (Continued)**

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

The aggregate consideration paid by NetLink Trust for the purchase of the Assets and Business was financed by the issue of units to SingTel of S\$567.4 million and loans from SingTel of S\$1,325 million.

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 statement of financial position and is being amortised over the useful lives of the Assets. The unamortised deferred gain in the Group's statement of financial position 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 was S\$6 million which comprised the following -

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)	2011 S\$ Mil (Unaudited)	2010 S\$ Mil (Unaudited)
NetLink Trust's net loss	(12.9)	-	(12.9)	-
Amortisation of deferred disposal gain	7.2	-	7.2	-
<b>Net impact of NetLink Trust</b>	<b>(5.7)</b>	<b>-</b>	<b>(5.7)</b>	<b>-</b>

**12. GROUP'S BORROWINGS AND DEBT SECURITIES**

Group	As at	
	31 Dec 11 S\$ Mil (Unaudited)	31 Mar 11 S\$ Mil (Audited)
<b>Unsecured borrowings</b>		
Repayable within one year	105.6	2,672.6
Repayable after one year	8,611.0	4,544.1
	<b>8,716.6</b>	<b>7,216.7</b>
<b>Secured borrowings</b>		
Repayable within one year	25.2	26.3
Repayable after one year	194.7	42.6
	<b>219.9</b>	<b>68.9</b>
	<b>8,936.5</b>	<b>7,285.6</b>

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2011***13. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

Group and Company	31 Dec 11	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at 1 October 2011	15,940.4	2,629.6
Issue of shares on exercise of share options	1.3	1.7
Balance as at 31 December 2011	<u>15,941.7</u>	<u>2,631.3</u>

**(a) Changes to share capital**

In the current quarter ended 31 December 2011, the Company issued 1,268,000 ordinary shares upon the exercise of 1,268,000 share options under the Singapore Telecom Share Option Scheme 1999 (at exercise prices of between S\$1.31 and S\$1.51 per share).

**(b) Outstanding share options**

The number of shares that may be issued on conversion of all the outstanding share options under the Singapore Telecom Share Option Scheme 1999 as at 31 December 2011 was 2,143,650 (31 December 2010: 9,252,050).

**(c) Performance shares**

The number of outstanding performance shares under the SingTel Performance Share Plan as at 31 December 2011 was 67,818,409 (31 December 2010: 61,236,785).

**14. DIVIDENDS**

On 9 November 2011, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY2011: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the financial year ending 31 March 2012.

The dividend has been accounted for in the shareholders' equity as an appropriation of Retained Earnings in the third quarter and nine months ended 31 December 2011. The interim dividend was paid in January 2012.

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2011***15. NET ASSET VALUE**

	Group As at		Company As at	
	31 Dec 11 (Unaudited)	31 Mar 11 (Audited)	31 Dec 11 (Unaudited)	31 Mar 11 (Audited)
Net asset value per ordinary share	<b>139.22¢</b>	152.75¢	<b>59.44¢</b>	56.58¢

The number of ordinary shares of the Group used for the above calculation had been adjusted to exclude the number of performance shares held by the Trust.

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

As at 31 December 2011,

- (i) The Group and Company provided bankers' and other guarantees and insurance bonds of S\$586.2 million and S\$425.6 million (31 March 2011: S\$583.6 million and S\$389.6 million) respectively.
- (ii) The Company provided guarantees for loans of S\$2.05 billion (31 March 2011: S\$450 million) drawn down under various loan facilities entered into by SingTel Group Treasury Pte. Ltd. ("**SGT**") with maturities between September 2012 and June 2014. The Company also provided guarantees of an aggregate amount of equivalent of S\$2.26 billion comprising SGT's notes issue of S\$250 million, S\$600 million, US\$100 million, US\$600 million, US\$200 million, HK\$620 million and JPY10 billion, due between July 2016 and September 2021.
- (iii) The Company provided a guarantee for US\$90 million (S\$117 million) (31 March 2011: US\$90 million) on a proportionate share basis in respect of a loan obtained by an associated company.

**(b) Appeal against the decision by Komisi Pengawas Persaingan Usaha Republik Indonesia ("KPPU") (Republic of Indonesia Commission for Supervision of Business Competition) (the "Commission")**

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

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

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2011*

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

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

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

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

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

On 20 May 2009, SingTel and SingTel Mobile filed an application to the Indonesian Supreme Court for civil review of the Supreme Court decision.

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

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

**(c) Other commercial disputes**

Optus (and certain subsidiaries) is in dispute with third parties regarding certain transactions entered into in the ordinary course of business. Some of these disputes involve legal proceedings relating to the contractual obligations of the parties and / or representations made, including the amounts payable by Optus’ companies under the contracts and claims against Optus’ companies for compensation for alleged breach of contract and/or representations. Optus is vigorously defending all these claims.

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



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2011*

**17. SIGNIFICANT DISPUTES AT JOINT VENTURE COMPANIES**

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

As at 31 December 2011, the taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately INR 51.5 billion (SingTel’s equity share: S\$407 million). In respect of some of the tax issues, pending final decisions, Bharti had deposited amounts with statutory authorities.

Airtel Nigeria B.V. (“**ANBV**”), a 100% owned indirect subsidiary of Bharti, has 65.7% shareholding in Airtel Networks Limited (“**ANL**”), whose principal activity is the provision of mobile telecommunication services in Nigeria.

In January 2012, unfavourable rulings were received in respect of a claim by Econet Wireless Limited (“**EWL**”) for a 5% stake in ANL and a claim alleging breach of a shareholders agreement between EWL and former shareholders of ANL in 2006. ANL and ANBV have filed appeals in the Nigerian High Court on both matters.

Bharti is defending its positions vigorously. Under the terms of the acquisition by Bharti of these assets from Zain International B.V. in 2010, Bharti has the benefit of seller’s indemnities in respect of such matters.

- (b) The Group holds an equity interest of 23.3% in Advanced Info Service Public Company Limited (“**AIS**”).

Revenue share disputes arising from abolishment of excise tax

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

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

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

TOT’s demand for additional revenue shares

On 2 February 2011, AIS received demand letters from TOT for additional payments of revenue share, penalties and surcharges to be paid by 15 February 2011. The first demand amounted to THB 36,996 million (SingTel’s equity share: S\$354 million) plus interest at 7.5% per annum and value added tax for reduction of revenue sharing rate on prepaid services and deduction of roaming cost from the revenue share payment to TOT. The second demand amounted to THB 36,817 million (SingTel’s equity share: S\$353 million) plus interest at 7.5% per annum and value added tax due to the deduction of excise tax from the revenue share payment to TOT.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2011*

**17. SIGNIFICANT DISPUTES AT JOINT VENTURE COMPANIES**

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

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

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

On 26 January 2011, TOT sent a letter demanding AIS to pay additional revenue share based on gross interconnection income received from 2007 to 2010 of THB 17,803 million (SingTel's equity share: S\$170 million) plus interest at the rate of 1.25% per month. AIS sent a letter opposing the said claim to TOT on 21 February 2011. On 9 March 2011, AIS submitted the dispute to arbitration.

TOT's demand for access charge

On 9 May 2011, TOT submitted a case to the Central Administrative Court against CAT as first defendant and DPC as second defendant demanding access charge amounting to THB 2,954 million (SingTel's equity share: S\$28 million) plus interest. This case is pending.

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

- (c) Globe Telecom, Inc. ("**Globe**"), a 47.3% joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe's management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on the Globe Group's financial position and results of operations.
- (d) As at 31 December 2011, Telkomsel, a 35% joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 1,265 billion (SingTel's equity share: S\$63 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which are not presently determinable.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2011*

**18. ASSOCIATED COMPANY- PROPOSED RESTRUCTURING OF LOAN FACILITIES**

Warid Telecom (Private) Limited ("**Warid**"), an associated company in which the SingTel Group has a 30% equity interest, is currently in discussions with certain of its lenders in relation to a proposed restructuring of its loan facilities. As at 31 December 2011, the outstanding principal amounted to approximately US\$752 million, and was secured by a floating charge on Warid's assets. In addition, US\$90 million of these loan facilities was guaranteed by SingTel (see Note 16 (a)(iii)) and US\$512 million was secured by guarantees of the other shareholder group of Warid.

**19. GROUP SEGMENT INFORMATION**

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

The Group's reportable segments are as follows -

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

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

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

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

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

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

**19. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2011*

Group - 2011 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Segment Total S\$ Mil	Corp S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	4,833.4	9,211.7	-	-	14,045.1	-	<b>14,045.1</b>
Segment results	1,198.4	1,077.7	-	-	2,276.1	(67.2)	<b>2,208.9</b>
Other income	37.2	48.3	-	-	85.5	0.8	<b>86.3</b>
<b>Profit/ (Loss) before exceptional items</b>	1,235.6	1,126.0	-	-	2,361.6	(66.4)	<b>2,295.2</b>
Exceptional items	4.7	(23.5)	-	-	(18.8)	29.4	<b>10.6</b>
<b>Profit/ (Loss) on operating activities</b>	1,240.3	1,102.5	-	-	2,342.8	(37.0)	<b>2,305.8</b>
Share of results of associated and joint venture companies							
- Bharti	-	-	269.1	-	269.1	-	<b>269.1</b>
- Telkomsel	-	-	499.8	-	499.8	-	<b>499.8</b>
- Globe	-	-	93.6	-	93.6	-	<b>93.6</b>
- AIS	-	-	193.6	-	193.6	-	<b>193.6</b>
- Others	-	-	8.5	-	8.5	-	<b>8.5</b>
	-	-	1,064.6	-	1,064.6	-	<b>1,064.6</b>
<b>Profit/ (Loss) before interest, investment income (net) and tax</b>	1,240.3	1,102.5	1,064.6	-	3,407.4	(37.0)	<b>3,370.4</b>
Interest and investment income (net)	-	16.4	-	-	16.4	36.0	<b>52.4</b>
Finance costs	-	(141.7)	-	-	(141.7)	(158.2)	<b>(299.9)</b>
<b>Profit/ (Loss) before tax</b>	<b>1,240.3</b>	<b>977.2</b>	<b>1,064.6</b>	-	<b>3,282.1</b>	<b>(159.2)</b>	<b>3,122.9</b>
<b>Segment assets</b>							
Investment in associated and joint venture companies							
- Bharti	-	-	4,571.5	-	4,571.5	-	<b>4,571.5</b>
- Telkomsel	-	-	3,294.5	-	3,294.5	-	<b>3,294.5</b>
- Globe	-	-	1,059.6	-	1,059.6	-	<b>1,059.6</b>
- AIS	-	-	669.9	-	669.9	-	<b>669.9</b>
- Others	-	-	480.4	-	480.4	-	<b>480.4</b>
	-	-	10,075.9	-	10,075.9	-	<b>10,075.9</b>
Goodwill on acquisition of subsidiaries	81.9	9,578.1	-	-	9,660.0	-	<b>9,660.0</b>
Other assets	6,379.9	17,207.6	-	(5,128.8)	18,458.7	1,577.4	<b>20,036.1</b>
	<b>6,461.8</b>	<b>26,785.7</b>	<b>10,075.9</b>	<b>(5,128.8)</b>	<b>38,194.6</b>	<b>1,577.4</b>	<b>39,772.0</b>

**19. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2011*

Group - 2010 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Segment Total S\$ Mil	Corp S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	4,739.7	8,688.4	-	-	13,428.1	-	13,428.1
Segment results	1,257.6	952.5	-	-	2,210.1	(50.0)	2,160.1
Other income	41.4	56.6	-	-	98.0	0.6	98.6
<b>Profit/ (Loss) before exceptional items</b>	1,299.0	1,009.1	-	-	2,308.1	(49.4)	2,258.7
Exceptional items	-	-	-	-	-	61.7	61.7
<b>Profit on operating activities</b>	1,299.0	1,009.1	-	-	2,308.1	12.3	2,320.4
Share of results of associated and joint venture companies							
- Bharti	-	-	439.4	-	439.4	-	439.4
- Telkomsel	-	-	496.3	-	496.3	-	496.3
- Globe	-	-	97.0	-	97.0	-	97.0
- AIS	-	-	141.4	-	141.4	-	141.4
- Others	-	-	14.1	-	14.1	-	14.1
	-	-	1,188.2	-	1,188.2	-	1,188.2
<b>Profit before interest, investment income (net) and tax</b>	1,299.0	1,009.1	1,188.2	-	3,496.3	12.3	3,508.6
Interest and investment income (net)	-	20.6	-	-	20.6	21.1	41.7
Finance costs	-	(114.7)	-	-	(114.7)	(159.3)	(274.0)
<b>Profit/ (Loss) before tax</b>	1,299.0	915.0	1,188.2	-	3,402.2	(125.9)	3,276.3
<b>Segment assets</b>							
Investment in associated and joint venture companies							
- Bharti	-	-	5,090.4	-	5,090.4	-	5,090.4
- Telkomsel	-	-	3,108.5	-	3,108.5	-	3,108.5
- Globe	-	-	1,029.7	-	1,029.7	-	1,029.7
- AIS	-	-	323.3	-	323.3	-	323.3
- Others	-	-	430.8	-	430.8	-	430.8
	-	-	9,982.7	-	9,982.7	-	9,982.7
Goodwill on acquisition of subsidiaries	82.2	9,576.2	-	-	9,658.4	-	9,658.4
Other assets	4,753.1	15,043.2	-	(3,595.4)	16,200.9	2,287.5	18,488.4
	4,835.3	24,619.4	9,982.7	(3,595.4)	35,842.0	2,287.5	38,129.5

**OTHER INFORMATION**

- 20.** The financial position as at 31 December 2011 and the results, statements of changes in equity and cash flows for the third quarter and nine months ended 31 December 2011 presented in this announcement have not been audited, but have been reviewed by Deloitte & Touche LLP in Singapore in accordance with the Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (see review report on page 31 of this announcement).

**21. REVIEW OF PERFORMANCE OF THE GROUP**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2011.

**22. WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS.**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2011.

**23. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT OPERATING PERIOD AND THE NEXT 12 MONTHS.**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2011.

**24. SUBSEQUENT EVENT**

On 10 January 2012, SGT completed a HK\$830 million Note issue maturing in 2017 with an annual coupon of 2.03% per annum. The Note issue is guaranteed by the Company.

**CONFIRMATION BY THE BOARD**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter and nine months ended 31 December 2011 to be false or misleading.

On behalf of the Board of Directors

**Fang Ai Lian**  
Chairman of Audit Committee

**Chua Sock Koong**  
Director

Singapore  
10 February 2012

**INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors  
Singapore Telecommunications Limited  
31 Exeter Road  
Comcentre  
Singapore 239732

Dear Sirs

**SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES  
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION AS OF AND FOR THE THIRD  
QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2011****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("SingTel" or the "Company") as of 31 December 2011 and statement of changes in equity of the Company for the Third Quarter and Nine Months then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "Group") as of 31 December 2011 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the Third Quarter and Nine Months then ended, selected notes and other explanatory notes ("interim financial information").

The Management of SingTel are responsible for the preparation and presentation of the interim financial information in accordance with Financial Reporting Standard 34 *Interim Financial Reporting* ("FRS 34"). Such interim financial information has been prepared by Management of SingTel for announcement on the Singapore Exchange and the Australian Securities Exchange. Our responsibility is to express a conclusion to this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with FRS 34.

Deloitte & Touche LLP  
Public Accountants and  
Certified Public Accountants

Singapore  
10 February 2012