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* Asterisks denote mandatory information

Name of Announcer *	SINGTEL
Company Registration No.	199201624D
Announcement submitted on behalf of	SINGTEL
Announcement is submitted with respect to *	SINGTEL
Announcement is submitted by *	Chan Su Shan
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	Acquisition of shares in Bharti Telecom Limited
Description	

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SINGAPORE TELECOMMUNICATIONS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 199201624D

ANNOUNCEMENT PURSUANT TO
RULES 704 AND 905 OF THE SGX LISTING MANUAL

ACQUISITION OF SHARES IN BHARTI TELECOM LIMITED

1. INTRODUCTION

- 1.1 **Acquisition.** Singapore Telecommunications Limited (“**SingTel**”) wishes to announce that its wholly-owned subsidiary, SingTel International Investments Private Limited (the “**Purchaser**”), has today entered into a conditional share purchase agreement (the “**Agreement**”) with MacRitchie Investments Pte. Ltd. (the “**Vendor**”) to acquire 788,538 equity shares (the “**Sale Shares**”) in the capital of Bharti Telecom Limited (“**BTL**”) (the “**Acquisition**”). The Acquisition represents approximately 3.62% of the equity shares in BTL.
- 1.2 **Rationale and Benefits of the Acquisition.** BTL is a promoter company of Bharti Airtel Limited (“**BAL**”) and, as at the date of this Announcement, holds approximately 43.57% of the share capital of BAL (“**BAL Shares**”). The Acquisition would allow SingTel to increase its effective stake in BAL, and is in line with SingTel’s strategic focus on maximising the value of its existing businesses, which includes reviewing opportunities to increase shareholdings in existing associates.

2. SINGTEL’S EFFECTIVE INTEREST IN BTL AND BAL

SingTel currently has an aggregate effective interest in BAL of approximately 30.76% through its direct interest in BAL Shares and indirect interest in BAL Shares via equity shares in BTL. Following the Acquisition, SingTel’s effective interest in BTL will increase from 36.16% to 39.78%, and its effective interest in BAL will increase from 30.76% to 32.34%¹.

3. CONSIDERATION

- 3.1 **Price per Sale Share.** The price per Sale Share (the “**Settlement Price**”) is INR 23,578.45.
- The Settlement Price was arrived at on an arm’s length and willing-buyer willing-seller basis, based on, *inter alia*, a price per BAL Share of INR 294.69, which is approximately 10% less than the volume weighted average price of INR 327.44 per BAL Share on the Bombay Stock Exchange Limited and the National Stock Exchange of India Ltd. for the 30 trading days prior to (and excluding) 15 August 2013.
- 3.2 **Aggregate Consideration.** The aggregate consideration payable for the Sale Shares (the “**Aggregate Consideration**”) is INR 18,592,501,189 or S\$383,576,342.
- 3.3 **Completion.** The agreement to sell and purchase the Sale Shares is conditional upon, *inter alia*, neither the Purchaser nor the Vendor having received, on or before completion of the

¹ Based on BAL’s issued share capital as at 30 June 2013.

Acquisition (“**Completion**”), any notice from any person restraining or prohibiting the Acquisition. Completion is expected to take place on 28 August 2013.

3.4 **Payment.** The Aggregate Consideration is payable in cash.

3.5 **Value of the Sale Shares.** The latest audited net asset value of each Sale Share based on BTL’s audited Indian GAAP accounts as at 31 March 2013 was INR 826.

4. **INTERESTED PERSON TRANSACTION**

4.1 **Interested Person Transaction.** Temasek Holdings (Private) Limited (“**Temasek**”) is a controlling shareholder of SingTel and holds approximately 51.88% of SingTel’s issued ordinary shares (excluding shares held in treasury) as at the date of this Announcement. The Vendor is a wholly-owned subsidiary of Temasek and is an “associate” of Temasek for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”). Accordingly, the Vendor is an “interested person” vis-à-vis SingTel, and the Acquisition is an “interested person transaction” under Chapter 9 of the Listing Manual.

4.2 **NTA.** As at 31 March 2013, 5% of the audited consolidated net tangible assets (“**NTA**”) of SingTel and its subsidiaries (the “**Group**”) is approximately S\$666 million and 3% of the audited consolidated NTA of the Group is approximately S\$400 million.

4.3 **Total Value of Interested Person Transactions.** For the period from the beginning of the current financial year, 1 April 2013, to 30 June 2013, the total value of all transactions with the Temasek group (excluding transactions less than S\$100,000 and transactions entered into with members of the Temasek group falling within Rule 908(2) of the Listing Manual) was approximately S\$61 million.

Save for transactions with the Temasek group, there have been no other interested person transactions since the beginning of the current financial year.

The aggregate value of all transactions entered into with the Temasek group in the current financial year will, as a result of the Acquisition, exceed 3% but will be less than 5% of the Group’s latest audited consolidated NTA.

5.4 **Audit Committee.** The Audit Committee has considered the terms of the Acquisition and is of the view that the Acquisition is on normal commercial terms, and is not prejudicial to the interests of SingTel and its minority shareholders.

5. **FINANCIAL IMPACT OF THE ACQUISITION**

The Acquisition will not have a material impact on SingTel’s earnings per share nor its net tangible assets per share for the current financial year ending 31 March 2014.