



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
ASX APPENDIX 4D – HALF YEAR REPORT
FOR THE SECOND QUARTER AND HALF YEAR ENDED
30 SEPTEMBER 2013**

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RESULTS FOR ANNOUNCEMENT TO THE MARKET (APPENDIX 4D)*For the half year ended 30 September 2013*

Group	Half Year 30 Sep		Percentage change
	2013 S\$ Mil	2012 S\$ Mil	
Revenue from ordinary activities	8,456.4	9,105.0	-7.1%
Profit from ordinary activities after taxation attributable to shareholders	1,881.4	1,813.0	3.8%
Net profit attributable to shareholders	1,881.4	1,813.0	3.8%
Net tangible assets per ordinary share ⁽¹⁾	76.59¢	75.62¢	1.3%

Group	Amount per security (SGD cents)	Franked amount per security (SGD cents)
Dividend per share		
- final	Nil	Not applicable
- interim	6.8¢ ⁽²⁾	Nil ⁽³⁾

Record date for determining entitlements to dividends

To be announced later

Notes:

- (1) As at 30 September 2013, the number of ordinary shares was 15,935,897,228 after adjustment to exclude the number of performance shares held by the Trust.
- (2) The interim dividend of SGD 6.8 cents per security received by Singapore tax residents will be tax exempt for Singapore income tax purposes (being a one-tier exempt dividend).
- (3) For Australian resident individual shareholders, the interim dividend of SGD 6.8 cents per security will be assessable and, therefore, subject to tax in Australia. Australian resident individual shareholders cannot claim a tax rebate or credit in their Australian income tax return for corporate income tax paid in Singapore.

Important Notes:

This half year report should be read in conjunction with the audited annual report for the financial year ended 31 March 2013 and announcements to the market during the six months ended 30 September 2013.

The figures presented in this announcement have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)*For the second quarter and half year ended 30 September 2013*

	Notes	Quarter 30 Sep		Half Year 30 Sep	
		2013 S\$ Mil	2012 S\$ Mil	2013 S\$ Mil	2012 S\$ Mil
Operating revenue		4,163.1	4,572.0	8,456.4	9,105.0
Operating expenses		(2,885.7)	(3,331.3)	(5,918.1)	(6,647.3)
Other income	2	21.0	25.9	55.9	51.4
		1,298.4	1,266.6	2,594.2	2,509.1
Depreciation and amortisation	3	(526.5)	(534.9)	(1,066.1)	(1,053.1)
		771.9	731.7	1,528.1	1,456.0
Exceptional items	4	(4.8)	0.2	146.1	102.4
Profit on operating activities		767.1	731.9	1,674.2	1,558.4
Associates and joint ventures					
- share of ordinary results		518.5	573.6	1,089.7	1,079.9
- share of tax of ordinary results		(168.2)	(175.3)	(344.5)	(317.4)
- share of exceptional items (post-tax)	5	(10.3)	(18.2)	(49.1)	(28.4)
	13	340.0	380.1	696.1	734.1
Profit before interest, investment income (net) and tax		1,107.1	1,112.0	2,370.3	2,292.5
Interest and investment income (net)	6	21.0	4.9	51.4	21.3
Finance costs	7	(76.3)	(90.6)	(155.6)	(178.0)
Profit before tax		1,051.8	1,026.3	2,266.1	2,135.8
Tax expense	8	(180.1)	(158.3)	(381.2)	(321.8)
Profit after tax		871.7	868.0	1,884.9	1,814.0
Attributable to:					
Shareholders of the Company		870.4	867.7	1,881.4	1,813.0
Non-controlling interests		1.3	0.3	3.5	1.0
		871.7	868.0	1,884.9	1,814.0
Earnings per share attributable to shareholders of the Company					
- basic	10	5.46¢	5.45¢	11.81¢	11.38¢
- diluted	10	5.45¢	5.43¢	11.78¢	11.36¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)*For the second quarter and half year ended 30 September 2013*

	Quarter 30 Sep		Half Year 30 Sep	
	2013 S\$ Mil	2012 S\$ Mil	2013 S\$ Mil	2012 S\$ Mil
Profit after tax	871.7	868.0	1,884.9	1,814.0
Other comprehensive (loss)/ income				
Items that may be reclassified subsequently to income statement:				
Exchange differences arising from translation of foreign operations and other currency translation differences for the period	(453.6)	(92.3)	(1,285.7)	(724.6)
Cash flow hedges				
- Fair value changes during the period	(40.4)	(120.2)	377.7	(181.3)
- Tax effects	(2.7)	9.8	(88.5)	23.7
	(43.1)	(110.4)	289.2	(157.6)
- Fair value changes transferred to income statement	(0.5)	117.3	(301.7)	86.7
- Tax effects	4.5	(3.3)	82.2	(5.0)
	4.0	114.0	(219.5)	81.7
	(39.1)	3.6	69.7	(75.9)
Fair value changes on available-for-sale investments during the period	2.1	5.4	(8.2)	(108.2)
Share of other comprehensive loss of associates and joint ventures	1.4	(7.5)	(97.5)	(7.2)
Other comprehensive loss, net of tax	(489.2)	(90.8)	(1,321.7)	(915.9)
Total comprehensive income	382.5	777.2	563.2	898.1
Attributable to:				
Shareholders of the Company	381.2	776.8	559.6	897.3
Non-controlling interests	1.3	0.4	3.6	0.8
	382.5	777.2	563.2	898.1

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2013

	Notes	Group		Company	
		As at 30 Sep 13 S\$ Mil (Unaudited)	As at 31 Mar 13 S\$ Mil (Audited)	As at 30 Sep 13 S\$ Mil (Unaudited)	As at 31 Mar 13 S\$ Mil (Audited)
Current assets					
Cash and cash equivalents		861.0	911.0	135.2	167.8
Trade and other receivables		3,613.3	3,680.0	707.3	634.1
Due from subsidiaries		-	-	1,646.2	1,740.7
Derivative financial instruments		1.8	1.1	3.8	3.2
Inventories		218.9	213.7	26.9	27.7
		4,695.0	4,805.8	2,519.4	2,573.5
Non-current assets					
Property, plant and equipment		10,745.1	11,724.9	1,990.9	2,043.6
Intangible assets		10,775.9	10,709.4	1.2	1.3
Subsidiaries		-	-	13,438.2	12,971.1
Joint ventures		9,291.3	9,691.0	24.1	24.1
Associates		206.2	195.5	592.1	592.1
Loan to an associate		1,330.5	1,330.5	1,330.5	1,330.5
Available-for-sale ("AFS") investments		270.8	240.4	57.2	66.4
Derivative financial instruments		246.3	131.0	157.5	247.1
Deferred tax assets		883.7	945.2	-	-
Other non-current receivables		202.0	209.8	221.4	221.9
		33,951.8	35,177.7	17,813.1	17,498.1
Total assets		38,646.8	39,983.5	20,332.5	20,071.6
Current liabilities					
Trade and other payables		3,698.6	4,227.7	1,064.9	1,156.4
Due to subsidiaries		-	-	811.3	893.3
Advance billings		645.1	671.0	83.5	86.8
Current tax liabilities		383.1	429.0	201.1	139.3
Borrowings (unsecured)	12	1,994.1	350.0	-	-
Borrowings (secured)	12	39.8	41.8	0.1	0.2
Derivative financial instruments		4.6	14.8	5.3	5.2
Net deferred gain		57.5	57.5	-	-
		6,822.8	5,791.8	2,166.2	2,281.2
Non-current liabilities					
Borrowings (unsecured)	12	6,192.2	7,329.7	787.2	856.3
Borrowings (secured)	12	189.7	207.2	157.4	157.3
Derivative financial instruments		456.0	587.8	386.1	406.8
Advance billings		322.7	332.1	170.0	165.8
Deferred income		9.3	10.7	0.1	-
Net deferred gain		1,183.3	1,186.4	-	-
Deferred tax liabilities		335.6	299.4	131.4	114.0
Other non-current liabilities		188.1	249.2	19.7	25.0
		8,876.9	10,202.5	1,651.9	1,725.2
Total liabilities		15,699.7	15,994.3	3,818.1	4,006.4
Net assets		22,947.1	23,989.2	16,514.4	16,065.2
Share capital and reserves					
Share capital	14	2,634.0	2,634.0	2,634.0	2,634.0
Reserves		20,292.3	21,330.6	13,880.4	13,431.2
Equity attributable to shareholders of the Company		22,926.3	23,964.6	16,514.4	16,065.2
Non-controlling interests		20.8	24.6	-	-
Total equity		22,947.1	23,989.2	16,514.4	16,065.2

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2013*

Group - 2013	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil		
Balance as at 1 July 2013	2,634.0	(23.3)	(114.4)	(3,397.4)	(141.4)	70.5	26,406.7	(1,297.4)	24,137.3	26.9	24,164.2
Changes in equity for the quarter											
Performance shares purchased by Trust ⁽⁴⁾	-	(5.0)	-	-	-	-	-	-	(5.0)	-	(5.0)
Equity-settled performance shares	-	-	7.6	-	-	-	-	-	7.6	-	7.6
Transfer of liability to equity relating to performance shares	-	-	0.1	-	-	-	-	-	0.1	-	0.1
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	(0.1)
Share of other reserves of associates and joint ventures	-	-	(1.5)	-	-	-	-	0.9	(0.6)	-	(0.6)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution of interest in associates and joint ventures	-	-	-	-	-	-	0.1	(0.1)	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(7.4)	(7.4)
Final dividend paid	-	-	-	-	-	-	(1,594.2)	-	(1,594.2)	-	(1,594.2)
	-	(5.0)	6.1	-	-	-	(1,594.1)	0.8	(1,592.2)	(7.4)	(1,599.6)
Total comprehensive (loss)/ income for the quarter	-	-	-	(453.6)	(39.1)	2.1	870.4	1.4	381.2	1.3	382.5
Balance as at 30 September 2013	2,634.0	(28.3)	(108.3)	(3,851.0)	(180.5)	72.6	25,683.0	(1,295.2)	22,926.3	20.8	22,947.1

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2013*

Group - 2012	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil		
Balance as at 1 July 2012	2,634.0	(21.0)	(107.4)	(2,783.5)	(341.4)	35.1	25,379.7	(1,249.1)	23,546.4	20.8	23,567.2
Changes in equity for the quarter											
Performance shares purchased by Trust ⁽⁴⁾	-	(8.2)	-	-	-	-	-	-	(8.2)	-	(8.2)
Equity-settled performance shares	-	-	6.2	-	-	-	-	-	6.2	-	6.2
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.8	2.8
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)
Final dividend paid	-	-	-	-	-	-	(1,434.0)	-	(1,434.0)	-	(1,434.0)
Others	-	-	-	-	-	-	(1.2)	-	(1.2)	-	(1.2)
	-	(8.2)	6.2	-	-	-	(1,435.2)	-	(1,437.2)	2.7	(1,434.5)
Total comprehensive (loss)/ income for the quarter	-	-	-	(92.4)	3.6	5.4	867.7	(7.5)	776.8	0.4	777.2
Balance as at 30 September 2012	2,634.0	(29.2)	(101.2)	(2,875.9)	(337.8)	40.5	24,812.2	(1,256.6)	22,886.0	23.9	22,909.9

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2013*

Company - 2013	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2013	2,634.0	(0.4)	(63.0)	(119.5)	51.9	13,910.1	16,413.1
Changes in equity for the quarter							
Performance shares vested	-	(0.1)	0.1	-	-	-	-
Equity-settled performance shares	-	-	2.4	-	-	-	2.4
Transfer of liability to equity relating to performance shares	-	-	0.1	-	-	-	0.1
Cash paid to employees under performance share plans	-	-	0.1	-	-	-	0.1
Contribution to Trust ⁽⁴⁾	-	-	(3.9)	-	-	-	(3.9)
Final dividend paid	-	-	-	-	-	(1,595.0)	(1,595.0)
	-	(0.1)	(1.2)	-	-	(1,595.0)	(1,596.3)
Total comprehensive (loss)/ income for the quarter	-	-	-	(12.2)	(4.3)	1,714.1	1,697.6
Balance as at 30 September 2013	2,634.0	(0.5)	(64.2)	(131.7)	47.6	14,029.2	16,514.4

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the second quarter ended 30 September 2013*

Company - 2012	Share Capital S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 July 2012	2,634.0	(63.4)	(184.9)	34.9	13,976.2	16,396.8
Changes in equity for the quarter						
Equity-settled performance shares	-	3.1	-	-	-	3.1
Cash paid to employees under performance share plans	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁴⁾	-	(5.7)	-	-	-	(5.7)
Final dividend paid	-	-	-	-	(1,434.9)	(1,434.9)
	-	(2.7)	-	-	(1,434.9)	(1,437.6)
Total comprehensive income for the quarter	-	-	15.1	5.2	679.3	699.6
Balance as at 30 September 2012	2,634.0	(66.1)	(169.8)	40.1	13,220.6	15,658.8

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, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive (loss)/ income of the associates and joint ventures.
- (4) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2013*

Group - 2013	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil		
Balance as at 1 April 2013	2,634.0	(42.1)	(89.9)	(2,565.2)	(250.2)	80.8	25,424.8	(1,227.6)	23,964.6	24.6	23,989.2
Changes in equity for the period											
Performance shares purchased by the Company	-	(4.1)	-	-	-	-	-	-	(4.1)	-	(4.1)
Performance shares purchased by Trust ⁽⁴⁾	-	(9.7)	-	-	-	-	-	-	(9.7)	-	(9.7)
Performance shares vested	-	27.3	(27.3)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	11.9	-	-	-	-	-	11.9	-	11.9
Transfer of liability to equity relating to performance shares	-	-	10.4	-	-	-	-	-	10.4	-	10.4
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	(0.1)
Performance shares purchased by SingTel Optus Pty Limited ("Optus") and vested	-	-	(11.4)	-	-	-	-	-	(11.4)	-	(11.4)
Share of other reserves of associates and joint ventures	-	-	(1.9)	-	-	-	-	1.2	(0.7)	-	(0.7)
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution of interest in associates and joint ventures	-	-	-	-	-	-	(29.0)	29.0	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(7.4)	(7.4)
Final dividend paid	-	-	-	-	-	-	(1,594.2)	-	(1,594.2)	-	(1,594.2)
	-	13.5	(18.4)	-	-	-	(1,623.2)	30.2	(1,597.9)	(7.4)	(1,605.3)
Total comprehensive (loss)/ income for the period	-	-	-	(1,285.8)	69.7	(8.2)	1,881.4	(97.5)	559.6	3.6	563.2
Balance as at 30 September 2013	2,634.0	(28.6)	(108.3)	(3,851.0)	(180.5)	72.6	25,683.0	(1,294.9)	22,926.3	20.8	22,947.1

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2013*

	Attributable to shareholders of the Company									Non-controlling Interests S\$ Mil	Total Equity S\$ Mil
	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Currency Translation Reserve ⁽²⁾ S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Other Reserves ⁽³⁾ S\$ Mil	Total S\$ Mil		
Group - 2012											
Balance as at 1 April 2012	2,632.2	(42.3)	(82.7)	(2,151.5)	(261.9)	148.7	24,434.4	(1,249.4)	23,427.5	20.4	23,447.9
Changes in equity for the period											
Issue of new shares	1.8	-	-	-	-	-	-	-	1.8	-	1.8
Performance shares purchased by the Company	-	(3.4)	-	-	-	-	-	-	(3.4)	-	(3.4)
Performance shares purchased by Trust ⁽⁴⁾	-	(13.8)	-	-	-	-	-	-	(13.8)	-	(13.8)
Performance shares vested	-	30.3	(30.3)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	12.6	-	-	-	-	-	12.6	-	12.6
Transfer of liability to equity relating to performance shares	-	-	7.9	-	-	-	-	-	7.9	-	7.9
Performance shares purchased by Optus and vested	-	-	(8.7)	-	-	-	-	-	(8.7)	-	(8.7)
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.8	2.8
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)
Final dividend paid	-	-	-	-	-	-	(1,434.0)	-	(1,434.0)	-	(1,434.0)
Others	-	-	-	-	-	-	(1.2)	-	(1.2)	-	(1.2)
	1.8	13.1	(18.5)	-	-	-	(1,435.2)	-	(1,438.8)	2.7	(1,436.1)
Total comprehensive (loss)/ income for the period	-	-	-	(724.4)	(75.9)	(108.2)	1,813.0	(7.2)	897.3	0.8	898.1
Balance as at 30 September 2012	2,634.0	(29.2)	(101.2)	(2,875.9)	(337.8)	40.5	24,812.2	(1,256.6)	22,886.0	23.9	22,909.9

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2013*

Company - 2013	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2013	2,634.0	-	(69.9)	(130.3)	56.8	13,574.6	16,065.2
Changes in equity for the period							
Performance shares purchased by the Company	-	(4.1)	-	-	-	-	(4.1)
Performance shares vested	-	3.6	(2.7)	-	-	-	0.9
Equity-settled performance shares	-	-	5.2	-	-	-	5.2
Transfer of liability to equity relating to performance shares	-	-	10.4	-	-	-	10.4
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁴⁾	-	-	(7.1)	-	-	-	(7.1)
Final dividend paid	-	-	-	-	-	(1,595.0)	(1,595.0)
	-	(0.5)	5.7	-	-	(1,595.0)	(1,589.8)
Total comprehensive (loss)/ income for the period	-	-	-	(1.4)	(9.2)	2,049.6	2,039.0
Balance as at 30 September 2013	2,634.0	(0.5)	(64.2)	(131.7)	47.6	14,029.2	16,514.4

STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)*For the half year ended 30 September 2013*

Company - 2012	Share Capital S\$ Mil	Treasury Shares ⁽¹⁾ S\$ Mil	Capital Reserve - Performance Shares S\$ Mil	Hedging Reserve S\$ Mil	Fair Value Reserve S\$ Mil	Retained Earnings S\$ Mil	Total Equity S\$ Mil
Balance as at 1 April 2012	2,632.2	-	(67.9)	(164.9)	32.1	7,415.4	9,846.9
Changes in equity for the period							
Issue of new shares	1.8	-	-	-	-	-	1.8
Performance shares purchased by the Company	-	(3.4)	-	-	-	-	(3.4)
Performance shares vested	-	3.4	(3.1)	-	-	-	0.3
Equity-settled performance shares	-	-	6.6	-	-	-	6.6
Transfer of liability to equity relating to performance shares	-	-	7.9	-	-	-	7.9
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust ⁽⁴⁾	-	-	(9.5)	-	-	-	(9.5)
Final dividend paid	-	-	-	-	-	(1,434.9)	(1,434.9)
	1.8	-	1.8	-	-	(1,434.9)	(1,431.3)
Total comprehensive (loss)/ income for the period	-	-	-	(4.9)	8.0	7,240.1	7,243.2
Balance as at 30 September 2012	2,634.0	-	(66.1)	(169.8)	40.1	13,220.6	15,658.8

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, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.
- (3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive (loss)/ income of the associates and joint ventures.
- (4) DBS Trustee Limited (the "Trust") is the trustee of a trust established to administer the performance share plans.

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)*For the second quarter and half year ended 30 September 2013*

	Quarter 30 Sep		Half Year 30 Sep	
	2013 S\$ Mil	2012 S\$ Mil	2013 S\$ Mil	2012 S\$ Mil
Cash Flows from Operating Activities				
Profit before tax	1,051.8	1,026.3	2,266.1	2,135.8
Adjustments for				
Depreciation and amortisation	526.5	534.9	1,066.1	1,053.1
Exceptional items	(1.7)	(0.2)	(154.7)	(112.8)
Interest and investment income (net)	(21.0)	(4.9)	(51.4)	(21.3)
Finance costs	76.3	90.6	155.6	178.0
Share of results of associates and joint ventures (post-tax)	(340.0)	(380.1)	(696.1)	(734.1)
Other non-cash items	13.3	3.5	13.6	13.7
	253.4	243.8	333.1	376.6
Operating cash flow before working capital changes	1,305.2	1,270.1	2,599.2	2,512.4
Changes in operating assets and liabilities				
Trade and other receivables	(45.6)	228.0	(238.5)	189.7
Trade and other payables	108.3	(107.9)	(178.3)	(406.8)
Inventories	(38.7)	13.0	(20.7)	(13.9)
Currency translation adjustments of subsidiaries	0.4	(9.9)	(3.0)	(5.7)
Cash generated from operations	1,329.6	1,393.3	2,158.7	2,275.7
Payment to employees in cash under performance share plans	(0.7)	-	(4.9)	(3.3)
Dividends received from associates and joint ventures	284.5	368.2	1,020.2	888.4
Income tax and withholding tax paid	(254.2)	(95.4)	(374.0)	(209.5)
Net cash inflow from operating activities	1,359.2	1,666.1	2,800.0	2,951.3
Cash Flows from Investing Activities				
Dividends received from AFS investments	1.7	0.9	2.8	1.9
Interest received	4.2	3.8	23.1	18.9
Contribution from non-controlling interests	-	2.8	-	2.8
Payment for acquisition of subsidiaries, net of cash acquired (Note 1)	(31.4)	(29.1)	(41.5)	(665.7)
Investment in associates and joint ventures (Note 2)	(384.7)	(6.0)	(384.7)	(6.0)
Investment in AFS investments	(38.1)	(11.3)	(45.3)	(31.8)
Proceeds from sale of AFS investments	7.4	0.5	7.5	337.4
Balance carried forward	(440.9)	(38.4)	(438.1)	(342.5)

CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)*For the second quarter and half year ended 30 September 2013*

	Quarter 30 Sep		Half Year 30 Sep	
	2013 S\$ Mil	2012 S\$ Mil	2013 S\$ Mil	2012 S\$ Mil
Cash Flows from Investing Activities (continued)				
Balance brought forward	(440.9)	(38.4)	(438.1)	(342.5)
Payment for purchase of property, plant and equipment	(440.5)	(563.7)	(988.3)	(1,123.7)
Proceeds from sale of property, plant and equipment	1.4	2.2	5.5	7.5
Purchase of intangible assets	(39.7)	(30.1)	(230.0)	(94.0)
Withholding tax paid on intra-group interest income	(17.5)	(10.6)	(17.5)	(31.3)
Net cash outflow for investing activities	(937.2)	(640.6)	(1,668.4)	(1,584.0)
Cash Flows from Financing Activities				
Proceeds from term loans	1,708.4	1,200.0	2,093.9	1,999.0
Repayment of term loans	(904.2)	(1,219.5)	(1,456.3)	(2,234.6)
Proceeds from finance lease liabilities	2.3	34.2	5.4	61.9
Finance lease payments	(11.4)	(12.7)	(22.8)	(20.4)
Net proceeds from/ (repayment of) borrowings	795.1	2.0	620.2	(194.1)
Net interest paid on borrowings and swaps	(68.1)	(80.5)	(158.8)	(175.7)
Purchase of performance shares	(5.0)	(8.2)	(25.2)	(25.9)
Final dividend paid to shareholders of the Company	(1,594.2)	(1,434.0)	(1,594.2)	(1,434.0)
Dividend paid to non-controlling interest	-	(0.1)	-	(0.1)
Proceeds from issue of shares	-	-	-	1.8
Net cash outflow for financing activities	(872.2)	(1,520.8)	(1,158.0)	(1,828.0)
Net change in cash and cash equivalents	(450.2)	(495.3)	(26.4)	(460.7)
Exchange effects on cash and cash equivalents	(0.5)	(3.1)	(23.6)	(2.4)
Cash and cash equivalents at beginning of period	1,311.7	1,381.7	911.0	1,346.4
Cash and cash equivalents at end of period	861.0	883.3	861.0	883.3

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS*For the second quarter and half year ended 30 September 2013***Note (1)(a): Payments for acquisition of subsidiaries during the quarter and half year ended 30 September 2013**

The payments comprised the acquisition of Gradient X, Inc., a mobile advertising and marketing platform with real-time bidding capabilities, for US\$15 million and deferred payments in respect of the acquisition of Amobee, Inc. ("**Amobee**") in April 2012.

Note (1)(b): Payments for acquisition of subsidiaries during the half year ended 30 September 2012

The payments comprised the acquisitions of Amobee, a premium provider of mobile advertising solutions, GTW Holdings Private Limited, the owner of restaurant review portal HungryGoWhere, Pixable, Inc., a social photo aggregation service provider, and Vividwireless Group Limited in Australia.

Note (2): Payments for investments in associates and joint ventures

The payments for the quarter ended 30 September 2013 comprised mainly the acquisition of additional equity interest of 3.62% in Bharti Telecom Limited from a wholly-owned subsidiary of Temasek Holdings (Private) Limited, for S\$384 million. Temasek Holdings (Private) Limited is the holding company of Singapore Telecommunications Limited ("**SingTel**").

Note (3): For the purposes of the consolidated statement of cash flows, cash and cash equivalents comprised:

	As at 30 Sep	
	2013	2012
	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)
Fixed deposits	459.3	588.7
Cash and bank balances	401.7	294.6
	861.0	883.3

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***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 2013. The adoption of the new or revised FRS, amendments to FRS and Interpretations to FRS which became mandatory from 1 April 2013 did not have a significant impact on the financial statements of the Group and the Company.

2. OTHER INCOME

Other income included the following items -

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Rental income	1.0	1.2	2.0	2.6
Bad trade debts recovered	0.4	0.4	1.6	1.1
Net exchange loss - trade related	(3.9)	(4.3)	(3.9)	(5.6)
Net (loss)/ gain on disposal of property, plant and equipment	(2.7)	0.6	4.7	0.8

3. DEPRECIATION AND AMORTISATION

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	485.9	489.6	983.2	969.5
Amortisation of intangible assets	41.3	46.2	84.4	85.6
Amortisation of deferred gain on sale of a joint venture	(0.7)	(0.7)	(1.5)	(1.5)
Amortisation of sale and leaseback income	-	(0.2)	-	(0.5)
	526.5	534.9	1,066.1	1,053.1

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***4. EXCEPTIONAL ITEMS**

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Exceptional gains				
Gain on dilution of interest in Airtel	-	-	149.7	-
Gain on dilution of interest in other associates and joint ventures	0.4	0.2	3.7	0.2
Gain on sale of AFS investment	5.8	-	5.8	119.2
Net income from legal disputes	-	-	-	35.8
	6.2	0.2	159.2	155.2
Exceptional losses				
Provision for ex-gratia payment on staff restructuring	(6.4)	-	(8.5)	(46.2)
Impairment of AFS investments	(4.6)	-	(4.6)	(6.6)
	(11.0)	-	(13.1)	(52.8)
	(4.8)	0.2	146.1	102.4

5. SHARE OF EXCEPTIONAL ITEMS OF ASSOCIATES AND JOINT VENTURES (POST-TAX)

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Share of Globe's accelerated depreciation (post-tax)	(10.3)	(18.2)	(47.7)	(28.4)
Share of Airtel's accelerated depreciation and net gain on sale of tower assets (post-tax)	-	-	(1.4)	-
	(10.3)	(18.2)	(49.1)	(28.4)

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***6. INTEREST AND INVESTMENT INCOME (NET)**

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest income from				
- bank deposits	2.9	3.5	5.9	7.2
- others	8.9	7.9	16.9	16.0
	11.8	11.4	22.8	23.2
Dividends from joint ventures	9.0	-	20.2	-
Gross dividends from AFS investments	2.1	2.3	3.9	4.0
Fair value gains on hedging instruments	0.5	1.9	5.4	1.5
Fair value gains/ (losses) on fair value hedges				
- hedged item	10.4	116.4	(150.8)	(33.8)
- hedged instrument	(10.4)	(116.4)	150.8	33.8
	-	-	-	-
Net exchange losses - non-trade related	(2.4)	(10.7)	(0.9)	(7.4)
	21.0	4.9	51.4	21.3

7. FINANCE COSTS

Group	Quarter 30 Sep		Half year 30 Sep	
	2013	2012	2013	2012
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest expense on				
- bonds	60.4	67.1	122.8	136.8
- bank loans	8.3	15.0	17.9	27.1
- others	7.3	8.5	14.9	15.9
	76.0	90.6	155.6	179.8
Less: Amounts capitalised	(4.4)	(4.3)	(9.1)	(7.3)
	71.6	86.3	146.5	172.5
Effects of hedging using interest rate swaps	3.6	3.0	6.8	2.7
Unwinding of discounts (including adjustments)	1.1	1.3	2.3	2.8
	76.3	90.6	155.6	178.0

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***8. TAX EXPENSE**

Group	Quarter 30 Sep		Half year 30 Sep	
	2013 S\$ Mil (Unaudited)	2012 S\$ Mil (Unaudited)	2013 S\$ Mil (Unaudited)	2012 S\$ Mil (Unaudited)
Current and deferred tax expense attributable to current period's profits	182.4	165.0	382.7	326.9
Current and deferred tax adjustments in respect of prior years	(2.3)	(6.7)	(1.5)	(5.1)
	180.1	158.3	381.2	321.8

9. OTHER INCOME STATEMENT ITEMS

Group	Quarter 30 Sep		Half year 30 Sep	
	2013 S\$ Mil (Unaudited)	2012 S\$ Mil (Unaudited)	2013 S\$ Mil (Unaudited)	2012 S\$ Mil (Unaudited)
Impairment of trade receivables	42.4	38.4	92.7	125.1
(Writeback of)/ Allowance for inventory obsolescence	(1.8)	2.5	18.2	6.6

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group	Quarter 30 Sep		Half year 30 Sep	
	2013 '000 (Unaudited)	2012 '000 (Unaudited)	2013 '000 (Unaudited)	2012 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,936,121	15,934,816	15,933,763	15,932,020
Adjustment for dilutive effect of performance share plan	42,655	29,087	42,655	29,087
Weighted average number of ordinary shares for calculation of diluted earnings per share	15,978,776	15,963,903	15,976,418	15,961,107

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

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***11. FAIR VALUE MEASUREMENTS**

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels -

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);
- (b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and
- (c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

The following table presents the assets and liabilities measured at fair value as at 30 September 2013:

Group 30 September 2013 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted equity securities	73.8	-	-	73.8
- Unquoted investments	-	-	14.4	14.4
	73.8	-	14.4	88.2
Derivative financial instruments	-	248.1	-	248.1
	73.8	248.1	14.4	336.3
Financial liabilities				
Derivative financial instruments	-	460.6	-	460.6

Group 31 March 2013 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments ⁽¹⁾				
- Quoted equity securities	89.9	-	-	89.9
- Unquoted investments	-	-	14.1	14.1
	89.9	-	14.1	104.0
Derivative financial instruments	-	132.1	-	132.1
	89.9	132.1	14.1	236.1
Financial liabilities				
Derivative financial instruments	-	602.6	-	602.6

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***11. FAIR VALUE MEASUREMENTS (Continued)**

Company 30 September 2013 (Unaudited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted equity securities	46.4	-	-	46.4
- Unquoted equity securities	-	-	10.8	10.8
	46.4	-	10.8	57.2
Derivative financial instruments	-	161.3	-	161.3
	46.4	161.3	10.8	218.5
Financial liabilities				
Derivative financial instruments	-	391.4	-	391.4

Company 31 March 2013 (Audited)	Level 1 S\$ Mil	Level 2 S\$ Mil	Level 3 S\$ Mil	Total S\$ Mil
Financial assets				
AFS investments				
- Quoted equity securities	56.3	-	-	56.3
- Unquoted equity securities	-	-	10.1	10.1
	56.3	-	10.1	66.4
Derivative financial instruments	-	250.3	-	250.3
	56.3	250.3	10.1	316.7
Financial liabilities				
Derivative financial instruments	-	412.0	-	412.0

Note:

(1) Excluded AFS investments stated at cost of S\$182.6 million (31 March 2013: S\$136.4 million).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***12. GROUP'S BORROWINGS AND DEBT SECURITIES**

	Group		Company	
	30 Sep 13	31 Mar 13	30 Sep 13	31 Mar 13
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Unsecured borrowings				
Repayable within one year	1,994.1	350.0	-	-
Repayable after one year	6,192.2	7,329.7	787.2	856.3
	8,186.3	7,679.7	787.2	856.3
Secured borrowings				
Repayable within one year	39.8	41.8	0.1	0.2
Repayable after one year	189.7	207.2	157.4	157.3
	229.5	249.0	157.5	157.5
	8,415.8	7,928.7	944.7	1,013.8

Unsecured borrowings comprise bonds and bank loans. Secured borrowings comprise finance lease liabilities, including lease liabilities in respect of certain assets leased from NetLink Trust.

Fair Values

	Group		Company	
	30 Sep 13	31 Mar 13	30 Sep 13	31 Mar 13
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Carrying value				
Bonds	6,192.2	6,243.7	787.2	856.3
Bank loans	1,994.1	1,436.0	-	-
Finance lease liabilities	229.5	249.0	157.5	157.5
Fair value				
Bonds	6,360.3	6,355.9	812.6	900.3
Bank loans	1,994.1	1,436.0	-	-
Finance lease liabilities	229.5	249.0	157.5	157.5

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***13. DETAILS OF MATERIAL ASSOCIATES AND JOINT VENTURES**

	Equity interest as at		Contribution to net profit after tax	
	30 Sep		Quarter	
	2013	2012	2013	2012
	%	%	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Equity accounted associates and joint ventures				
PT Telekomunikasi Selular	35.0	35.0	188.7	202.9
Bharti Airtel Limited	32.3	32.3	28.8	48.3
Advanced Info Service Public Company Limited	23.3	21.3	78.3	81.6
Globe Telecom, Inc.	47.3	47.3	29.1	26.1
Others			15.1	21.2
			340.0	380.1

	Equity interest as at		Contribution to net profit after tax	
	30 Sep		Half year	
	2013	2012	2013	2012
	%	%	S\$ Mil	S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Equity accounted associates and joint ventures				
PT Telekomunikasi Selular	35.0	35.0	380.5	383.7
Bharti Airtel Limited	32.3	32.3	78.7	105.9
Advanced Info Service Public Company Limited	23.3	21.3	168.0	163.7
Globe Telecom, Inc.	47.3	47.3	39.8	57.7
Others			29.1	23.1
			696.1	734.1

The details of associates and joint ventures are set out in Note 25 and Note 26 to the financial report respectively.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***14. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

Group and Company	Quarter and Half year 30 Sep 13	
	Number of shares Mil (Unaudited)	Share capital S\$ Mil (Unaudited)
Balance as at beginning and end of period	<u>15,943.5</u>	<u>2,634.0</u>

As at 30 September 2013, the number of outstanding performance shares under the SingTel Performance Share Plan and SingTel Performance Share Plan 2012 was 48,823,344 (30 September 2012: 56,656,652).

15. DIVIDENDS

On 13 November 2013, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY 2013: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the current financial year ending 31 March 2014.

The financial statements for the half year ended, and as at, 30 September 2013 do not reflect this interim dividend. The dividend will be accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the next quarter ending 31 December 2013.

During the half year ended 30 September 2013, a final one-tier exempt ordinary dividend of 10.0 cents per share totalling S\$1.59 billion was paid in respect of the previous financial year ended 31 March 2013.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***16. NET ASSET VALUE**

	Group		Company	
	As at		As at	
	30 Sep 13	31 Mar 13	30 Sep 13	31 Mar 13
	S\$	S\$	S\$	S\$
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Net asset value per share	1.44	1.50	1.04	1.01

As at the end of the reporting period, the number of ordinary shares of the Group used for the above calculation had been adjusted to exclude the number of performance shares held by the Trust.

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

As at 30 September 2013,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$696.9 million and S\$361.3 million (31 March 2013: S\$730.1 million and S\$473.1 million) respectively.
 - (ii) The Company provided guarantees for loans of S\$1.35 billion (31 March 2013: S\$950 million) drawn down under various loan facilities entered into by SingTel Group Treasury Pte. Ltd. ("**SGT**") with maturities between November 2013 and June 2014. The Company also provided guarantees for SGT's notes issue of an aggregate equivalent amount of S\$3.28 billion due between July 2016 and September 2021.
- (b) SingTel is in dispute with OpenNet Pte Ltd, an associated company in which the Group has 30% equity interest, with respect to SingTel's contractual obligations as a key sub-contractor under various agreements between the parties. The parties are in discussions to manage the dispute matters through the resolution process under the agreements.
 - (c) Consistent with other large groups, Singapore Telecom Australia Investments Pty Limited ("**STAI**"), the head tax entity in Australia, has been subject to periodic information requests from the Australian Tax Authorities ("**ATO**") in connection with the acquisition financing of Optus. STAI has been responding to ATO's queries. No formal position or assessment has been raised by the ATO.
 - (d) 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.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***18. CONTINGENT LIABILITIES OF JOINT VENTURES**

- (a) Bharti Airtel Limited ("**Airtel**"), 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.

On 8 January 2013, the local regulator, Department of Telecommunications ("**DoT**") issued a demand on Airtel Group for Rs. 52.01 billion (SingTel's share: S\$337 million) towards levy of one time spectrum charge. The demand included a retrospective charge of Rs. 9.09 billion (SingTel's share: S\$59 million) for holding GSM spectrum beyond 6.2 Mhz for the period from 1 July 2008 to 31 December 2012 and also a prospective charge of Rs. 42.92 billion (SingTel's share: S\$278 million) for GSM spectrum held beyond 4.4 Mhz for the period from 1 January 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licenses issued in the past. Airtel believes, based on independent legal opinion and its evaluation, that it is not probable that any material part of the claim will be awarded against Airtel and therefore, pending outcome of this matter, no provision has been recognised.

As at 30 September 2013, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately Rs. 78 billion (SingTel's share: S\$505 million). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

Bharti Airtel Nigeria B.V. ("**BANBV**"), a 100% owned indirect subsidiary of Airtel, has 79.05% shareholding in Airtel Networks Limited ("**ANL**"), whose principal activity is the provision of mobile telecommunication services in Nigeria.

Econet Wireless Limited ("**EWL**") has claimed for entitlement to a 5% stake in ANL in 2004 and an arbitration claim alleging breach of a shareholders agreement between EWL and the former shareholders of ANL in 2006. ANL and BANBV have filed appeals in the Nigerian Court of Appeals on both matters.

Airtel is defending its positions vigorously. Under the terms of the agreement between Airtel and Zain International B.V. ("**Zain**") to acquire Zain's Africa operations in 2010, Airtel 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.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***18. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)**

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 share

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 share: S\$167 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 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) The Group holds an equity interest of 35% in PT Telekomunikasi Selular ("**Telkomsel**").

PT Prima Jaya Informatika's bankruptcy petition against Telkomsel

Following the dispute between Telkomsel and PT Prima Jaya Informatika ("**PT Prima**"), a Telkomsel's distributor of pulse reload vouchers under a distribution agreement by both parties, the Jakarta Commercial Court at the Central Jakarta District Court accepted the bankruptcy petition against Telkomsel filed by PT Prima based on its verdict on 14 September 2012. Telkomsel has contested PT Prima's claim. However, the decision of the Jakarta Commercial Court at the Central Jakarta District Court was not in the favor of Telkomsel.

Telkomsel challenged the above court decision by filing an appeal to the Supreme Court on 21 September 2012.

On 21 November 2012, the Supreme Court granted Telkomsel's appeal and refused the bankruptcy petition from PT Prima.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS*For the second quarter and half year ended 30 September 2013***18. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)**

On 31 January 2013, Telkomsel was notified by the court that PT Prima has applied for civil review to the Supreme Court on 29 January 2013. Telkomsel filed its contra memorandum on 7 February 2013. On 19 July 2013, the Supreme Court rejected PT Prima's application for civil review.

Tax disputes

As at 30 September 2013, Telkomsel has filed appeals and cross-appeals amounting to approximately IDR 1,170 billion (SingTel's share: S\$44 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which are not presently determinable.

19. GROUP SEGMENT INFORMATION

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

SingTel Group is structured into three business segments, namely Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, namely AIS in Thailand, Airtel in India and Africa, Globe in the Philippines, Pacific Bangladesh Telecom Limited ("**PBTL**") in Bangladesh and Telkomsel in Indonesia. It focuses on driving greater value and performance from the core carriage business including mobile, residential pay TV, fixed, as well as equipment sales.

Group Enterprise comprises the business groups across Singapore and Australia and focuses on growing the Group's position in the enterprise markets. Key services include mobile, voice and data infrastructure, managed services, cloud computing, IT services and professional consulting.

Group Digital Life focuses on using the latest internet technologies and the assets of the Group's operating companies to develop new revenue growth engines by entering adjacent businesses where it has a competitive advantage. It includes e-commerce, concierge and hyper-local services, and mobile advertising.

Corporate comprises the costs of Group functions not allocated to the three business segments.

The measurement of segment results which is before exceptional items, is in line with the basis of information presented to management for internal management reporting purposes.

19. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2013*

Group 30 September 2013 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	5,277.0	3,108.0	71.4	-	8,456.4
Operating expenses	(3,646.3)	(2,096.6)	(142.4)	(32.8)	(5,918.1)
Other income/ (expense)	34.5	18.6	(1.0)	3.8	55.9
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	1,665.2	1,030.0	(72.0)	(29.0)	2,594.2
Share of pre-tax results of associates and joint ventures					
- Airtel	208.1	-	-	-	208.1
- Telkomsel	507.3	-	-	-	507.3
- Globe	127.7	-	-	-	127.7
- AIS	213.7	-	-	-	213.7
- Others	0.2	-	-	39.3	39.5
	1,057.0	-	-	39.3	1,096.3
EBITDA and share of pre-tax results of associates and joint ventures	2,722.2	1,030.0	(72.0)	10.3	3,690.5
Depreciation and amortisation	(704.6)	(338.3)	(22.9)	(0.3)	(1,066.1)
Earnings before interest and tax ("EBIT")	2,017.6	691.7	(94.9)	10.0	2,624.4

Group As at 30 September 2013 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Segment assets					
Investment in associates and joint ventures					
- Airtel	4,593.1	-	-	-	4,593.1
- Telkomsel	3,043.3	-	-	-	3,043.3
- Globe	921.0	-	-	-	921.0
- AIS	633.6	-	-	-	633.6
- Others	25.1	-	-	281.4	306.5
	9,216.1	-	-	281.4	9,497.5
Goodwill on acquisition of subsidiaries	9,232.9	149.2	330.2	-	9,712.3
Other assets	9,865.9	5,326.8	519.0	3,725.3	19,437.0
	28,314.9	5,476.0	849.2	4,006.7	38,646.8

19. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2013*

Group 30 September 2012 (Unaudited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Operating revenue	5,822.6	3,233.8	48.6	-	9,105.0
Operating expenses	(4,267.8)	(2,239.5)	(104.7)	(35.3)	(6,647.3)
Other income/ (expense)	42.8	13.8	0.5	(5.7)	51.4
EBITDA	1,597.6	1,008.1	(55.6)	(41.0)	2,509.1
Share of pre-tax results of associates and joint ventures					
- Airtel	203.5	-	-	-	203.5
- Telkomsel	511.8	-	-	-	511.8
- Globe	122.7	-	-	-	122.7
- AIS	212.7	-	-	-	212.7
- Others	(17.5)	-	-	46.7	29.2
	1,033.2	-	-	46.7	1,079.9
EBITDA and share of pre-tax results of associates and joint ventures	2,630.8	1,008.1	(55.6)	5.7	3,589.0
Depreciation and amortisation	(704.8)	(321.5)	(27.4)	0.6	(1,053.1)
EBIT	1,926.0	686.6	(83.0)	6.3	2,535.9

Group As at 31 March 2013 (Audited)	Group Consumer S\$ Mil	Group Enterprise S\$ Mil	Group Digital Life S\$ Mil	Corporate S\$ Mil	Group Total S\$ Mil
Segment assets					
Investment in associates and joint ventures					
- Airtel	4,382.7	-	-	-	4,382.7
- Telkomsel	3,540.7	-	-	-	3,540.7
- Globe	984.3	-	-	-	984.3
- AIS	683.3	-	-	-	683.3
- Others	26.3	-	-	269.2	295.5
	9,617.3	-	-	269.2	9,886.5
Goodwill on acquisition of subsidiaries	9,244.1	156.3	298.8	-	9,699.2
Other assets	10,587.2	5,478.7	479.6	3,852.3	20,397.8
	29,448.6	5,635.0	778.4	4,121.5	39,983.5

19. GROUP SEGMENT INFORMATION (Continued)*For the half year ended 30 September 2013*

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax is as follows -

Group	30 Sep 13 S\$ Mil (Unaudited)	30 Sep 12 S\$ Mil (Unaudited)
EBIT	2,624.4	2,535.9
Exceptional items	146.1	102.4
Share of exceptional items of associates and joint ventures (post-tax)	(55.7)	(28.4)
Share of tax of associates and joint ventures	(344.5)	(317.4)
Profit before interest, investment income (net) and tax	2,370.3	2,292.5
Interest and investment income (net)	51.4	21.3
Finance costs	(155.6)	(178.0)
Profit before tax	2,266.1	2,135.8

OTHER INFORMATION

- 20.** The financial position as at 30 September 2013 and the results, statements of changes in equity and cash flows for the second quarter and half year ended 30 September 2013 presented in this announcement have not been audited, but have been reviewed by Deloitte & Touche LLP in Singapore in accordance with the Singapore Standard on Review Engagements 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* (see review report on page 35 of this announcement).

21. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2013.

- 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 second quarter and half year ended 30 September 2013.

- 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 second quarter and half year ended 30 September 2013.

24. INTERESTED PERSON TRANSACTIONS

The Group has not obtained a general mandate from the shareholders of the Company for Interested Person Transactions.

25. ASSOCIATES OF THE GROUP

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 13 %	30 Sep 12 %
ADSB Telecommunications B.V.	25.6	25.6
APT Satellite Holdings Limited	20.3	20.3
APT Satellite International Company Limited	28.6	28.6
Infoserve Technology Corp.	25.0	25.0
NetLink Trust ⁽¹⁾	100.0	100.0
OpenNet Pte. Ltd.	29.9	29.9
Singapore Post Limited	25.6	25.6
Telescience Singapore Pte Ltd	50.0	50.0
Viewers Choice Pte Ltd	49.2	49.2

Note:

(1) The Group regarded NetLink Trust, a 100%-owned business trust established as part of IDA's effective open access requirements under Singapore's Next Generation National Broadband Network, as an associate as it does not have effective control in the trust.

26. JOINT VENTURES OF THE GROUP

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 13 %	30 Sep 12 %
Abacus Travel Systems Pte Ltd	30.0	30.0
Acasia Communications Sdn Bhd	14.3	14.3
ACPL Marine Pte Ltd	41.7	41.7
Advanced Info Service Public Company Limited	23.3	23.3
ASEAN Cables Pte Ltd	16.7	16.7
ASEAN Telecom Holdings Sdn Bhd	14.3	14.3
Asiacom Philippines, Inc.	40.0	40.0
Bharti Airtel Limited	32.3	32.3
Bharti Telecom Limited ⁽¹⁾	39.8	36.2
Bridge Mobile Pte Ltd	33.8	33.8

Note:

(1) During the current quarter, SingTel acquired additional equity interest of 3.62% in Bharti Telecom Limited.

26. JOINT VENTURES OF THE GROUP (Continued)

Name of Company	Percentage of effective interest held by the Group as at	
	30 Sep 13 %	30 Sep 12 %
Globe Telecom, Inc.	47.3	47.3
Grid Communications Pte Ltd	50.0	50.0
Indian Ocean Cables Pte Ltd	50.0	50.0
International Cables Pte Ltd	45.0	45.0
Main Event Television Pty Limited	33.3	33.3
OPEL Networks Pty Limited	50.0	50.0
Pacific Bangladesh Telecom Limited	45.0	45.0
Pacific Carriage Holdings Limited	40.0	40.0
PT Telekomunikasi Selular	35.0	35.0
Radiance Communications Pte Ltd	50.0	50.0
Southern Cross Cable Holdings Limited	40.0	40.0
SSBI Pte. Ltd.	50.0	50
VA Dynamics Sdn Bhd	49.0	49.0

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter and half year ended 30 September 2013 to be false or misleading.

On behalf of the Board of Directors

Fang Ai Lian
Chairman of Audit Committee

Chua Sock Koong
Director

Singapore
13 November 2013

INDEPENDENT AUDITORS' REVIEW REPORT

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

Dear Sirs

**SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION AS OF AND FOR THE SECOND
QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2013**

Introduction

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("SingTel" or the "Company") as of 30 September 2013 and statement of changes in equity of the Company for the Second Quarter and Half Year then ended, the statement of financial position of Singapore Telecommunications Limited and its subsidiary companies (the "Group") as of 30 September 2013 and related income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the Second Quarter and Half Year then ended, selected notes and other explanatory notes ("interim financial information").

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

Scope of Review

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

Conclusion

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

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants

Singapore
13 November 2013