



**SINGAPORE TELECOMMUNICATIONS LIMITED  
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT  
FOR THE THIRD QUARTER AND NINE MONTHS  
ENDED 31 DECEMBER 2012**

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**CONSOLIDATED INCOME STATEMENT (UNAUDITED)***For the third quarter and nine months ended 31 December 2012*

	Notes	Quarter 31 Dec		Nine Months 31 Dec	
		2012 S\$ Mil	2011 S\$ Mil	2012 S\$ Mil	2011 S\$ Mil
Operating revenue		<b>4,596.6</b>	4,830.3	<b>13,701.6</b>	14,045.1
Operating expenses		<b>(3,361.1)</b>	(3,605.6)	<b>(10,008.4)</b>	(10,342.2)
Other income	2	<b>26.8</b>	31.0	<b>78.2</b>	86.3
		<b>1,262.3</b>	1,255.7	<b>3,771.4</b>	3,789.2
Depreciation and amortisation	3	<b>(523.5)</b>	(498.5)	<b>(1,576.6)</b>	(1,494.0)
		<b>738.8</b>	757.2	<b>2,194.8</b>	2,295.2
Exceptional items	4	<b>(37.8)</b>	32.5	<b>64.6</b>	10.6
<b>Profit on operating activities</b>		<b>701.0</b>	789.7	<b>2,259.4</b>	2,305.8
Associates and joint ventures					
- share of ordinary results		<b>485.6</b>	475.2	<b>1,565.5</b>	1,473.6
- share of exceptional items	5	<b>(20.9)</b>	(25.1)	<b>(49.3)</b>	36.7
- share of tax		<b>(154.2)</b>	(148.1)	<b>(471.6)</b>	(445.7)
		<b>310.5</b>	302.0	<b>1,044.6</b>	1,064.6
<b>Profit before interest, investment income (net) and tax</b>		<b>1,011.5</b>	1,091.7	<b>3,304.0</b>	3,370.4
Interest and investment income (net)	6	<b>7.5</b>	21.8	<b>28.8</b>	52.4
Finance costs	7	<b>(85.0)</b>	(104.1)	<b>(263.0)</b>	(299.9)
<b>Profit before tax</b>		<b>934.0</b>	1,009.4	<b>3,069.8</b>	3,122.9
Tax expense	8	<b>(106.5)</b>	(106.5)	<b>(428.3)</b>	(422.1)
<b>Profit after tax</b>		<b>827.5</b>	902.9	<b>2,641.5</b>	2,700.8
<b>Attributable to:</b>					
Shareholders of the Company		<b>827.1</b>	902.0	<b>2,640.1</b>	2,699.7
Non-controlling interests		<b>0.4</b>	0.9	<b>1.4</b>	1.1
		<b>827.5</b>	902.9	<b>2,641.5</b>	2,700.8
<b>Earnings per share attributable to shareholders of the Company</b>					
- basic	10	<b>5.19¢</b>	5.66¢	<b>16.57¢</b>	16.95¢
- diluted	10	<b>5.18¢</b>	5.65¢	<b>16.53¢</b>	16.91¢

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)***For the third quarter and nine months ended 31 December 2012*

	Quarter		Nine Months	
	31 Dec		31 Dec	
	2012	2011	2012	2011
	S\$ Mil	S\$ Mil	S\$ Mil	S\$ Mil
<b>Profit after tax</b>	<b>827.5</b>	902.9	<b>2,641.5</b>	2,700.8
<b>Other comprehensive income/ (loss)</b>				
Exchange differences arising from translation of foreign operations and other currency translation differences	(198.2)	(253.3)	(922.8)	(816.3)
Cash flow hedges				
- Fair value changes during the period	67.4	(64.1)	(139.7)	63.2
- Tax effects	(18.9)	40.4	12.6	8.2
	48.5	(23.7)	(127.1)	71.4
- Fair value changes transferred to income statement	(9.2)	146.4	103.3	(45.3)
- Tax effects	9.8	(41.6)	(3.0)	(14.6)
	0.6	104.8	100.3	(59.9)
	49.1	81.1	(26.8)	11.5
Fair value changes on available-for-sale investments during the period	29.6	66.8	(78.6)	72.9
Share of other comprehensive profit/ (loss) of associates and joint ventures	119.6	(10.3)	112.4	(20.3)
Other comprehensive income/ (loss), net of tax	0.1	(115.7)	(915.8)	(752.2)
<b>Total comprehensive income</b>	<b>827.6</b>	787.2	<b>1,725.7</b>	1,948.6
<b>Attributable to:</b>				
Shareholders of the Company	826.9	786.6	1,724.2	1,947.6
Non-controlling interests	0.7	0.6	1.5	1.0
	827.6	787.2	1,725.7	1,948.6

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2012

	Notes	Group		Company	
		As at 31 Dec 12 S\$ Mil (Unaudited)	As at 31 Mar 12 S\$ Mil (Audited)	As at 31 Dec 12 S\$ Mil (Unaudited)	As at 31 Mar 12 S\$ Mil (Audited)
<b>Current assets</b>					
Cash and cash equivalents		831.1	1,346.4	240.9	254.4
Trade and other receivables		3,501.8	3,927.0	610.7	785.3
Due from subsidiaries		-	-	1,657.3	1,775.9
Asset held for sale	11	37.6	334.1	-	-
Derivative financial instruments		0.2	2.9	3.5	5.1
Inventories		254.9	208.1	32.2	31.1
		<b>4,625.6</b>	<b>5,818.5</b>	<b>2,544.6</b>	<b>2,851.8</b>
<b>Non-current assets</b>					
Property, plant and equipment		11,474.7	11,580.0	1,949.2	1,925.5
Intangible assets		10,873.8	10,174.1	1.4	1.7
Subsidiaries		-	-	12,967.8	6,768.2
Associates		184.7	212.4	592.1	592.1
Joint Ventures		9,650.4	9,968.1	24.1	24.1
Available-for-sale investments ("AFS")		222.9	148.7	53.4	41.7
Derivative financial instruments		119.9	98.2	244.7	157.5
Deferred tax assets		962.0	963.0	-	-
Loan to an associate	12	1,330.5	1,325.0	1,330.5	1,325.0
Other non-current receivables		124.2	129.6	242.9	241.4
		<b>34,943.1</b>	<b>34,599.1</b>	<b>17,406.1</b>	<b>11,077.2</b>
<b>Total assets</b>		<b>39,568.7</b>	<b>40,417.6</b>	<b>19,950.7</b>	<b>13,929.0</b>
<b>Current liabilities</b>					
Trade and other payables		4,303.1	5,053.2	950.3	1,281.7
Due to subsidiaries		-	-	944.1	893.1
Current tax liabilities		477.2	298.9	230.5	197.8
Borrowings (unsecured)	13	350.0	105.8	-	-
Borrowings (secured)	13	41.9	25.3	0.1	0.2
Derivative financial instruments		12.6	23.0	6.6	9.8
Deferred gain	12	57.5	29.2	-	-
Dividend payable		1,084.2	-	1,084.2	-
		<b>6,326.5</b>	<b>5,535.4</b>	<b>3,215.8</b>	<b>2,382.6</b>
<b>Non-current liabilities</b>					
Borrowings (unsecured)	13	7,359.3	8,470.4	868.2	857.9
Borrowings (secured)	13	215.0	192.3	157.6	157.5
Deferred income		735.4	745.5	167.9	175.0
Deferred gain	12	1,187.1	1,060.5	-	-
Derivative financial instruments		553.3	508.3	406.4	356.4
Deferred tax liabilities		321.3	243.8	150.2	135.2
Other non-current liabilities		215.2	213.5	17.6	17.5
		<b>10,586.6</b>	<b>11,434.3</b>	<b>1,767.9</b>	<b>1,699.5</b>
<b>Total liabilities</b>		<b>16,913.1</b>	<b>16,969.7</b>	<b>4,983.7</b>	<b>4,082.1</b>
<b>Net assets</b>		<b>22,655.6</b>	<b>23,447.9</b>	<b>14,967.0</b>	<b>9,846.9</b>
<b>Share capital and reserves</b>					
Share capital	14	2,634.0	2,632.2	2,634.0	2,632.2
Reserves		19,997.6	20,795.3	12,333.0	7,214.7
<b>Equity attributable to shareholders of the Company</b>					
		<b>22,631.6</b>	<b>23,427.5</b>	<b>14,967.0</b>	<b>9,846.9</b>
Non-controlling interests		24.0	20.4	-	-
<b>Total equity</b>		<b>22,655.6</b>	<b>23,447.9</b>	<b>14,967.0</b>	<b>9,846.9</b>

**STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)***For the third quarter ended 31 December 2012*

<b>Group - 2012</b>	<b>Share Capital S\$ Mil</b>	<b>Treasury Shares <sup>(1)</sup> S\$ Mil</b>	<b>Performance Shares S\$ Mil</b>	<b>Translation Reserve <sup>(2) (3)</sup> S\$ Mil</b>	<b>Hedging Reserve S\$ Mil</b>	<b>Fair Value Reserve S\$ Mil</b>	<b>Retained Earnings S\$ Mil</b>	<b>Other Reserves <sup>(4)</sup> S\$ Mil</b>	<b>Total S\$ Mil</b>	<b>controlling Interests S\$ Mil</b>	<b>Total Equity S\$ Mil</b>
Balance as at 1 October 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
Changes in equity for the quarter											
Performance shares purchased by Trust <sup>(5)</sup>	-	(5.4)	-	-	-	-	-	-	(5.4)	-	(5.4)
Equity-settled performance shares	-	-	7.3	-	-	-	-	-	7.3	-	7.3
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.6)	(0.6)
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	(1,084.2)
Others	-	-	-	-	-	-	1.0	-	1.0	-	1.0
	-	(5.4)	7.3	-	-	-	(1,083.2)	-	(1,081.3)	(0.6)	(1,081.9)
Total comprehensive (loss)/ income for the quarter	-	-	-	(198.5)	49.1	29.6	827.1	119.6	826.9	0.7	827.6
<b>Balance as at 31 December 2012</b>	<b>2,634.0</b>	<b>(34.6)</b>	<b>(93.9)</b>	<b>(3,074.4)</b>	<b>(288.7)</b>	<b>70.1</b>	<b>24,556.1</b>	<b>(1,137.0)</b>	<b>22,631.6</b>	<b>24.0</b>	<b>22,655.6</b>

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

For the third quarter ended 31 December 2012

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 2012*

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 October 2012	2,634.0	(66.1)	(169.8)	40.1	13,220.6	15,658.8
Changes in equity for the quarter						
Equity-settled performance shares	-	3.3	-	-	-	3.3
Contribution to Trust <sup>(5)</sup>	-	(3.7)	-	-	-	(3.7)
Interim dividend payable	-	-	-	-	(1,084.2)	(1,084.2)
	-	(0.4)	-	-	(1,084.2)	(1,084.6)
Total comprehensive income for the quarter	-	-	24.3	3.7	364.8	392.8
<b>Balance as at 31 December 2012</b>	<b>2,634.0</b>	<b>(66.5)</b>	<b>(145.5)</b>	<b>43.8</b>	<b>12,501.2</b>	<b>14,967.0</b>

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

For the third quarter ended 31 December 2012

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>

**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, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation loss of S\$366 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 31 December 2012 (as at 31 December 2011: S\$361 million) (refer to **Note 11**).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) 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 nine months ended 31 December 2012

Group - 2012	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 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 <sup>(5)</sup>	-	(19.2)	-	-	-	-	-	-	(19.2)	-	(19.2)
Performance shares vested	-	30.3	(30.3)	-	-	-	-	-	-	-	-
Equity-settled performance shares	-	-	19.9	-	-	-	-	-	19.9	-	19.9
Transfer of liability to equity	-	-	7.9	-	-	-	-	-	7.9	-	7.9
Performance shares purchased by SingTel Optus Pty Limited ("Optus") and vested	-	-	(8.7)	-	-	-	-	-	(8.7)	-	(8.7)
Contribution to subsidiary	-	-	-	-	-	-	-	-	-	2.8	2.8
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.7)	(0.7)
Final dividend paid	-	-	-	-	-	-	(1,434.0)	-	(1,434.0)	-	(1,434.0)
Interim dividend payable	-	-	-	-	-	-	(1,084.2)	-	(1,084.2)	-	(1,084.2)
Others	-	-	-	-	-	-	(0.2)	-	(0.2)	-	(0.2)
	1.8	7.7	(11.2)	-	-	-	(2,518.4)	-	(2,520.1)	2.1	(2,518.0)
Total comprehensive (loss)/ income for the period	-	-	-	(922.9)	(26.8)	(78.6)	2,640.1	112.4	1,724.2	1.5	1,725.7
<b>Balance as at 31 December 2012</b>	<b>2,634.0</b>	<b>(34.6)</b>	<b>(93.9)</b>	<b>(3,074.4)</b>	<b>(288.7)</b>	<b>70.1</b>	<b>24,556.1</b>	<b>(1,137.0)</b>	<b>22,631.6</b>	<b>24.0</b>	<b>22,655.6</b>

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

For the nine months ended 31 December 2012

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 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 Optus and vested	-	-	(1.0)	-	-	-	-	-	(1.0)	-	(1.0)	
Goodwill transferred from 'Other Reserves' to 'Retained Earnings' on dilution	-	-	-	-	-	-	(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)	
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)	
	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 2012*

Company - 2012	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 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	-	-	9.9	-	-	-	9.9
Transfer of liability to equity	-	-	7.9	-	-	-	7.9
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust <sup>(5)</sup>	-	-	(13.2)	-	-	-	(13.2)
Final dividend paid	-	-	-	-	-	(1,434.9)	(1,434.9)
Interim dividend payable	-	-	-	-	-	(1,084.2)	(1,084.2)
	1.8	-	1.4	-	-	(2,519.1)	(2,515.9)
Total comprehensive income for the period	-	-	-	19.4	11.7	7,604.9	7,636.0
<b>Balance as at 31 December 2012</b>	<b>2,634.0</b>	<b>-</b>	<b>(66.5)</b>	<b>(145.5)</b>	<b>43.8</b>	<b>12,501.2</b>	<b>14,967.0</b>

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

For the nine months ended 31 December 2012

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>

**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, Pakistani Rupee, Philippine Peso, Thai Baht and United States Dollar.
- (3) Included currency translation losses of S\$366 million in respect of the translation of Warid Telecom (Private) Limited's carrying value denominated in Pakistani Rupee as at 31 December 2012 (as at 31 December 2011: S\$361 million) (refer to **Note 11**).
- (4) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001.
- (5) 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 third quarter and nine months ended 31 December 2012

	Quarter 31 Dec		Nine Months 31 Dec	
	2012 S\$ Mil	2011 S\$ Mil	2012 S\$ Mil	2011 S\$ Mil
<b>Cash Flows from Operating Activities</b>				
Profit before tax	934.0	1,009.4	3,069.8	3,122.9
<b>Adjustments for</b>				
Depreciation and amortisation	523.5	498.5	1,576.6	1,494.0
Exceptional items	(0.4)	(32.5)	(113.2)	(34.1)
Interest and investment income (net)	(7.5)	(21.8)	(28.8)	(52.4)
Finance costs	85.0	104.1	263.0	299.9
Share of results of associates and joint ventures (post-tax)	(310.5)	(302.0)	(1,044.6)	(1,064.6)
Other non-cash items	14.2	8.7	27.9	30.0
	<b>304.3</b>	<b>255.0</b>	<b>680.9</b>	<b>672.8</b>
<b>Operating cash flow before working capital changes</b>	<b>1,238.3</b>	<b>1,264.4</b>	<b>3,750.7</b>	<b>3,795.7</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	24.6	(104.1)	214.3	(305.7)
Trade and other payables	(54.2)	(5.6)	(461.0)	106.2
Inventories	(36.7)	57.3	(50.6)	21.4
Currency translation adjustments of subsidiaries	(1.8)	11.7	(7.5)	12.9
	<b>1,170.2</b>	<b>1,223.7</b>	<b>3,445.9</b>	<b>3,630.5</b>
<b>Cash generated from operations</b>	<b>1,170.2</b>	<b>1,223.7</b>	<b>3,445.9</b>	<b>3,630.5</b>
Payment to employees in cash under performance share plans	-	(0.6)	(3.3)	(1.4)
Dividends received from associates and joint ventures	14.8	96.0	903.2	782.3
Net refund/ (payment) of income tax and withholding tax	17.6	(134.2)	(191.9)	(366.2)
	<b>1,202.6</b>	<b>1,184.9</b>	<b>4,153.9</b>	<b>4,045.2</b>
<b>Net cash inflow from operating activities</b>	<b>1,202.6</b>	<b>1,184.9</b>	<b>4,153.9</b>	<b>4,045.2</b>
<b>Cash Flows from Investing Activities</b>				
Dividends received from AFS investments	1.1	0.4	3.0	15.2
Interest received	18.9	3.7	37.8	21.7
Payment for acquisition of subsidiaries, net of cash acquired (see <b>Note 1</b> )	(4.7)	-	(670.4)	-
Contribution from non-controlling interests	-	-	2.8	-
Investment in associates and joint ventures	(1.4)	(340.0)	(7.4)	(915.0)
Investment in AFS investments	(12.9)	(8.5)	(44.7)	(56.0)
Proceeds from sale of AFS investments	-	0.2	337.4	0.2
Proceeds from sale of joint venture	-	15.3	-	15.3
	<b>1.0</b>	<b>(328.9)</b>	<b>(341.5)</b>	<b>(918.6)</b>
Balance carried forward				

**CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2012*

	Quarter 31 Dec		Nine Months 31 Dec	
	2012 S\$ Mil	2011 S\$ Mil	2012 S\$ Mil	2011 S\$ Mil
<b>Cash Flows from Investing Activities (continued)</b>				
Balance brought forward	1.0	(328.9)	(341.5)	(918.6)
Payment for purchase of property, plant and equipment	(536.8)	(550.7)	(1,660.5)	(1,582.1)
Advance payment for purchase of submarine cable capacity	-	-	-	(9.7)
Drawdown of prepaid submarine cable capacity	-	7.4	-	18.4
Proceeds from sale of property, plant and equipment	0.6	2.6	8.1	575.2
Purchase of intangible assets	(47.2)	(48.3)	(141.2)	(93.0)
Withholding tax paid on intra-group interest income	-	(80.7)	(31.3)	(88.8)
<b>Net cash outflow for investing activities</b>	<b>(582.4)</b>	<b>(998.6)</b>	<b>(2,166.4)</b>	<b>(2,098.6)</b>
<b>Cash Flows from Financing Activities</b>				
Proceeds from term loans	226.8	2,903.0	2,225.8	3,167.1
Repayment of term loans	(800.7)	(131.4)	(3,035.3)	(389.0)
Proceeds from bond issue	-	526.7	-	997.5
Repayment of bonds	-	(2,612.3)	-	(2,612.3)
Proceeds from finance lease liabilities	11.2	-	73.1	-
Finance lease payments	(12.7)	(7.4)	(33.1)	(23.1)
Net (repayment of)/ proceeds from borrowings	(575.4)	678.6	(769.5)	1,140.2
Settlement of swaps for bonds repaid	-	(922.0)	-	(922.0)
Net interest paid on borrowings and swaps	(94.7)	(150.2)	(270.4)	(337.0)
Purchase of performance shares	(5.4)	(6.1)	(31.3)	(14.5)
Final dividend paid to shareholders of the Company	-	-	(1,434.0)	(1,434.3)
Special dividend paid to shareholders of the Company	-	-	-	(1,593.6)
Dividend paid to non-controlling interests	(0.6)	-	(0.7)	(0.2)
Deposit in lieu of bankers' guarantee	-	-	-	0.8
Proceeds from issue of shares	-	1.7	1.8	8.5
<b>Net cash outflow for financing activities</b>	<b>(676.1)</b>	<b>(398.0)</b>	<b>(2,504.1)</b>	<b>(3,152.1)</b>
Net change in cash and cash equivalents	(55.9)	(211.7)	(516.6)	(1,205.5)
Exchange effects on cash and cash equivalents	3.7	2.4	1.3	(12.7)
Cash and cash equivalents at beginning of period	883.3	1,729.1	1,346.4	2,738.0
<b>Cash and cash equivalents at end of period</b>	<b>831.1</b>	<b>1,519.8</b>	<b>831.1</b>	<b>1,519.8</b>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2012***Note (1): Acquisition of subsidiaries****(a) Amobee Inc., GTW Holdings Private Limited and Pixable Inc.**

During the nine months ended 31 December 2012, Singapore Telecommunications Limited (“SingTel”) acquired 100% of the share capital of Amobee Inc., a premium provider of mobile advertising solutions, GTW Holdings Private Limited, the owner of restaurant review portal HungryGoWhere, and Pixable Inc., a social photo aggregation service provider, for US\$321 million, S\$12 million and US\$27 million respectively. The provisional fair values of identifiable net assets and the net cash outflow on the acquisitions were as follows –

	31 Dec 2012 S\$ Mil (Unaudited)
Identifiable intangible assets (provisional)	140.3
Non-current assets	6.7
Cash and cash equivalents	32.3
Current assets (excluding cash and cash equivalents)	13.1
Total liabilities	<u>(50.3)</u>
Net assets acquired	142.1
Goodwill (provisional)	<u>296.6</u>
Total cash consideration	438.7
Less: Consideration unpaid as at 31 December 2012	(26.7)
Less: Cash and cash equivalents acquired	<u>(32.3)</u>
<b>Net outflow of cash</b>	<b><u>379.7</u></b>

**(b) Vividwireless Group Limited and Eatability Pty Limited**

During the nine months ended 31 December 2012, Optus Mobile Pty Limited, a wholly-owned subsidiary of the Group, acquired 100% of the share capital of Vividwireless Group Limited and Eatability Pty Limited for A\$230 million and A\$6 million respectively. The fair values of identifiable net assets and the net cash outflow on the acquisitions were as follows -

	31 Dec 2012 S\$ Mil (Unaudited)
Identifiable intangible assets	263.8
Non-current assets	62.3
Cash and cash equivalents	7.9
Current assets (excluding cash and cash equivalents)	4.0
Total liabilities	<u>(36.7)</u>
Total cash consideration	301.3
Less: Consideration unpaid as at 31 December 2012	(2.7)
Less: Cash and cash equivalents acquired	<u>(7.9)</u>
<b>Net outflow of cash</b>	<b><u>290.7</u></b>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)***For the third quarter and nine months ended 31 December 2012*

**Note (2):** In October 2012, SingTel received a dividend distribution of S\$145 million from NetLink Trust, a 100%-owned associate of SingTel, which was offset against an amount due to NetLink Trust.

**Note (3):** For the purposes of the consolidated cash flow statements, cash and cash equivalents comprise:

	As at 31 Dec	
	2012 S\$ Mil	2011 S\$ Mil
Fixed deposits	403.9	875.2
Cash and bank balances	427.2	644.6
	<u>831.1</u>	<u>1,519.8</u>



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2012

**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 2012. The adoption of the new or revised FRS and Interpretations to FRS which became mandatory from 1 April 2012 did not result in substantial changes to the Group’s accounting policies.

**2. OTHER INCOME**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Rental income	1.3	1.3	3.9	3.7
Bad trade receivables recovered	1.1	2.8	2.2	13.0
Net exchange loss - trade related	(2.3)	(1.7)	(7.9)	(8.1)
Net (loss)/ gain on disposal of property, plant and equipment	(0.2)	(0.3)	0.6	(0.6)
Access fees from network facilities	12.3	13.4	39.4	39.7
Others	14.6	15.5	40.0	38.6
	<b>26.8</b>	<b>31.0</b>	<b>78.2</b>	<b>86.3</b>

**3. DEPRECIATION AND AMORTISATION**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Depreciation of property, plant and equipment	491.7	469.8	1,461.2	1,401.3
Amortisation of intangible assets	32.7	30.9	118.3	97.0
Amortisation of sale and leaseback income	(0.1)	(1.4)	(0.6)	(2.0)
Amortisation of deferred gain on sale of a joint venture	(0.8)	(0.8)	(2.3)	(2.3)
	<b>523.5</b>	<b>498.5</b>	<b>1,576.6</b>	<b>1,494.0</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2012***4. EXCEPTIONAL ITEMS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
<b>Exceptional gains</b>				
Gain on sale of AFS investment	-	-	119.2	-
Net income from legal disputes	-	-	35.8	-
Foreign exchange gain on a subsidiary's loan payable	-	27.7	-	28.2
Gain on dilution of interest in associates and joint ventures	0.4	0.1	0.6	1.2
Gain on disposal of a joint venture	-	4.7	-	4.7
	<b>0.4</b>	<b>32.5</b>	<b>155.6</b>	<b>34.1</b>
<b>Exceptional losses</b>				
Provision of ex-gratia payment on staff restructuring	(38.2)	-	(84.4)	(23.5)
Impairment of AFS investment	-	-	(6.6)	-
	<b>(38.2)</b>	<b>-</b>	<b>(91.0)</b>	<b>(23.5)</b>
	<b>(37.8)</b>	<b>32.5</b>	<b>64.6</b>	<b>10.6</b>

**5. SHARE OF EXCEPTIONAL ITEMS OF ASSOCIATES AND JOINT VENTURES**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Share of AIS' post-tax profits (Jan - Mar 2011)	-	-	-	54.6
Write-back of provisions	-	-	-	7.2
Reduction of deferred tax asset	-	(25.1)	-	(25.1)
Share of Globe's accelerated depreciation (post-tax)	(20.9)	-	(49.3)	-
	<b>(20.9)</b>	<b>(25.1)</b>	<b>(49.3)</b>	<b>36.7</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2012***6. INTEREST AND INVESTMENT INCOME (NET)**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest income from				
- bank deposits	4.0	5.1	11.2	22.0
- others	8.0	7.9	24.0	8.8
	12.0	13.0	35.2	30.8
Gross dividends from AFS investments	0.9	1.3	4.9	18.1
Fair value gains on hedging instruments	0.5	6.0	2.0	0.1
Fair value gains/ (losses) on hedges				
- hedged item	19.5	152.6	(14.2)	(294.1)
- hedged instrument	(19.5)	(152.6)	14.2	294.1
	-	-	-	-
Net exchange (losses)/ gains - non-trade related	(5.9)	1.5	(13.3)	3.4
	<b>7.5</b>	<b>21.8</b>	<b>28.8</b>	<b>52.4</b>

**7. FINANCE COSTS**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012	2011	2012	2011
	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)	S\$ Mil (Unaudited)
Interest expense on				
- bonds	65.1	91.4	201.9	298.5
- bank loans	12.1	14.0	39.2	17.5
- others	8.0	6.0	23.9	16.4
	85.2	111.4	265.0	332.4
Less: Amounts capitalised	(4.6)	(1.3)	(11.9)	(2.3)
	80.6	110.1	253.1	330.1
Effects of hedging using interest rate swaps	3.1	(8.1)	5.8	(36.1)
Unwinding of discounts (including adjustments)	1.3	2.1	4.1	5.9
	<b>85.0</b>	<b>104.1</b>	<b>263.0</b>	<b>299.9</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2012***8. TAX EXPENSE**

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012 S\$ Mil	2011 S\$ Mil	2012 S\$ Mil	2011 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current and deferred tax expense attributable to current period's profits	142.8	160.0	517.9	540.4
Recognition of deferred tax assets on other temporary differences <sup>(1)</sup>	(20.0)	(28.9)	(68.2)	(93.3)
Current and deferred tax adjustments in respect of prior years	(16.3)	(24.6)	(21.4)	(25.0)
	<b>106.5</b>	<b>106.5</b>	<b>428.3</b>	<b>422.1</b>

**Note:**

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

**9. OTHER INCOME STATEMENT ITEMS**

Group	31 Dec		31 Dec	
	2012 S\$ Mil	2011 S\$ Mil	2012 S\$ Mil	2011 S\$ Mil
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Impairment of trade receivables	45.0	45.8	170.1	132.2
Allowance for inventory obsolescence	1.8	0.4	8.4	6.3

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

For the third quarter and nine months ended 31 December 2012

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

Group	Quarter 31 Dec		Nine Months 31 Dec	
	2012 '000 (Unaudited)	2011 '000 (Unaudited)	2012 '000 (Unaudited)	2011 '000 (Unaudited)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	15,933,021	15,929,576	15,932,353	15,928,993
Adjustment for dilutive effect of share options	-	1,494	-	2,729
Adjustment for dilutive effect of SingTel Performance Share Plan	42,337	35,765	42,337	35,765
Weighted average number of ordinary shares for calculation of diluted earnings per share	15,975,358	15,966,835	15,974,690	15,967,487

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

**11. ASSET HELD FOR SALE**

The Group reclassified from 1 July 2012 its 30% equity interest in Warid Telecom (Private) Limited (“**Warid**”) in Pakistan as ‘Asset held for sale’ upon a plan approved by the Board, and equity accounting has ceased from the date of reclassification. The cumulative currency translation loss of S\$366 million in respect of the translation of Warid’s carrying value remained in the ‘Currency Translation Reserve’ within equity, and would be transferred to the income statement upon completion of the disposal of Warid (refer to **Note 19**).

The ‘Asset held for sale’ as at 31 March 2012 related to the Group’s 3.98% equity interest in Far EastOne Telecommunications Co., Ltd in Taiwan, which was divested in April 2012.

**12. LOAN TO AN ASSOCIATE/ DEFERRED GAIN**

SingTel established a business trust, NetLink Trust, in July 2011 as part of the IDA’s effective open access requirements under Singapore’s Next Generation Nationwide Broadband Network. In September 2011, SingTel sold certain infrastructure assets and its business of providing ducts and manhole services in relation to the assets to NetLink Trust. The purchase was financed by the issue of units to SingTel of S\$567 million and a loan from SingTel of S\$1.33 billion.

Although currently 100% owned by SingTel, SingTel does not have effective control in NetLink Trust, and hence it is equity accounted as an associate at the Group.

At the consolidated level, the gain on disposal of the assets and related 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 would be released to the Group’s income statement when NetLink Trust is partially or fully sold, based on the proportionate equity interest disposed.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2012***13. GROUP'S BORROWINGS AND DEBT SECURITIES**

<b>Group</b>	<b>As at</b>	
	<b>31 Dec 12</b> <b>S\$ Mil</b> <b>(Unaudited)</b>	<b>31 Mar 12</b> <b>S\$ Mil</b> <b>(Audited)</b>
<b>Unsecured borrowings</b>		
Repayable within one year	350.0	105.8
Repayable after one year	7,359.3	8,470.4
	<b>7,709.3</b>	<b>8,576.2</b>
<b>Secured borrowings</b>		
Repayable within one year	41.9	25.3
Repayable after one year	215.0	192.3
	<b>256.9</b>	<b>217.6</b>
	<b>7,966.2</b>	<b>8,793.8</b>

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

**14. SHARE CAPITAL AND OTHER EQUITY INFORMATION**

<b>Group and Company</b>	<b>Quarter</b> <b>31 Dec 12</b>	
	<b>Number</b> <b>of shares</b> <b>Mil</b> <b>(Unaudited)</b>	<b>Share</b> <b>capital</b> <b>S\$ Mil</b> <b>(Unaudited)</b>
Balance as at 1 October 2012 and 31 December 2012	<b>15,943.6</b>	<b>2,634.0</b>

<b>Group and Company</b>	<b>Nine Months</b> <b>31 Dec 12</b>	
	<b>Number</b> <b>of shares</b> <b>Mil</b> <b>(Unaudited)</b>	<b>Share</b> <b>capital</b> <b>S\$ Mil</b> <b>(Unaudited)</b>
Balance as at 1 April 2012	15,942.3	2,632.2
Issue of shares on exercise of share options	1.3	1.8
Balance as at 31 December 2012	<b>15,943.6</b>	<b>2,634.0</b>

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS***For the third quarter and nine months ended 31 December 2012***14. SHARE CAPITAL AND OTHER EQUITY INFORMATION (Continued)****(a) Changes to share capital**

During the nine months ended 31 December 2012, the Company issued 1,332,000 ordinary shares upon the exercise of 1,332,000 share options under the Singapore Telecom Share Option Scheme 1999 (at exercise prices of S\$1.31 per share).

The Singapore Telecom Share Option Scheme 1999 ceased in May 2012.

**(b) Performance shares**

The number of outstanding performance shares under the SingTel Performance Share Plan as at 31 December 2012 was 56,517,569 (31 December 2011: 67,818,409).

**15. DIVIDENDS**

On 12 November 2012, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY2012: 6.8 cents) per share totalling approximately S\$1.08 billion in respect of the financial year ending 31 March 2013.

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 2012. The interim dividend was paid in January 2013.

In the nine months ended 31 December 2012, a final one-tier exempt ordinary dividend of 9.0 cents per share totalling S\$1.43 billion was paid in respect of the previous financial year ended 31 March 2012.

**16. NET ASSET VALUE**

	Group As at		Company As at	
	31 Dec 12 (Unaudited)	31 Mar 12 (Audited)	31 Dec 12 (Unaudited)	31 Mar 12 (Audited)
<b>Net asset value per ordinary share</b>	<b>142.04¢</b>	<b>147.08¢</b>	<b>93.87¢</b>	<b>61.77¢</b>

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.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2012*

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

As at 31 December 2012,

- (i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S\$538.9 million and S\$399.2 million (31 March 2012: S\$572.8 million and S\$413.2 million) respectively.
  - (ii) The Company provided guarantees for loans of S\$850 million (31 March 2012: S\$1.55 billion) 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.
  - (iii) The Company provided a guarantee for US\$90 million (S\$110 million) (31 March 2012: US\$90 million) on a proportionate share basis in respect of a loan obtained by a 30%-owned company (refer to **Note 19**).
- (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. Parties are in discussions to manage the dispute matters through the resolution process under the agreements.
- (c)** 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.

**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\$375 million) towards levy of one time spectrum charge. The demand included a retrospective charge of **Rs. 9.09 billion** (SingTel's share: S\$66 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 share: S\$309 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.



**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2012*

**18. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)**

In the opinion of Airtel, inter-alia, the above demand amounts to alternation of financial terms of the licenses issued in the past. Based on a petition filed by Airtel, the Honorable High Court of Bombay, through its order dated 28 January 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing, scheduled for 1 March 2013. Airtel, based on independent legal opinions, has not given effect for the one time spectrum charges in its financial statements.

As at 31 December 2012, other taxes, custom duties and demands under adjudication, appeal or disputes amounted to approximately INR 63.0 billion (SingTel's equity share: S\$454 million). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

Airtel Nigeria B.V. ("**ANBV**"), a 100% owned indirect subsidiary of Airtel, has 65.7% 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 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 Court of Appeals on both matters.

Airtel is defending its positions vigorously. Under the terms of the acquisition by Airtel of these assets from Zain International B.V. 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.

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 equity share: S\$166 million) plus interest at the rate of 1.25% per month. AIS sent a letter opposing the said claim to TOT on 21 February 2011. On 9 March 2011, AIS submitted the dispute to arbitration.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2012*

**18. CONTINGENT LIABILITIES OF JOINT VENTURES (Continued)**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) 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. The bankruptcy petition was filed by PT Prima on the basis of:

- PT Prima's claim on overdue receivable from Telkomsel amounted to IDR 5.26B (SingTel's equity share: S\$0.2 million) which represents the value of undelivered pulse reload vouchers based on orders covered by purchase orders; and
- receivable of another company from Telkomsel.

Telkomsel has contested PT Prima's claim and stated that Telkomsel's payable to the other company has been fully repaid. Besides, PT Prima has no right to claim receivable from Telkomsel, considering that PT Prima has not made any payment to Telkomsel on its orders. PT Prima has also breached the terms and conditions as stipulated in the above-mentioned agreement. Therefore, the requirement for a bankruptcy petition should have not been met.

The decision of the Jakarta Commercial Court at the Central Jakarta District Court was not in the favor of Telkomsel.

Telkomsel has taken necessary actions and legal remedy, and 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. Telkomsel has received the formal verdict from the District Court of Central Jakarta on 10 January 2013.

**SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS**

*For the third quarter and nine months ended 31 December 2012*

**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. A decision from the Supreme Court is expected in March 2013.

Tax disputes

As at 31 December 2012, Telkomsel has filed appeals and cross-appeals amounting to approximately IDR 1,170 billion (SingTel's equity share: S\$52 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which are not presently determinable.

**19. PROPOSED RESTRUCTURING OF WARID'S LOAN FACILITIES AND SALE OF WARID**

Warid, a company in which the Group has 30% equity interest, is currently in the process of restructuring its loan facilities. As at 31 December 2012, the outstanding principal amounted to approximately **US\$867 million** and was secured by a floating charge on Warid's assets. In addition, **US\$90 million** of these loan facilities was guaranteed by SingTel (see **Note 17 (a)(iii)**) (the "**Guarantee**") and **US\$512 million** was secured by guarantees of the other shareholder group of Warid. SingTel received a guarantee call of **US\$30.3 million** which has not been met due to the on-going restructuring of Warid's loan facilities.

On 29 January 2013, SingTel announced the sale of its 30% equity interest in Warid, subject to certain conditions being met. Upon completion of the sale, SingTel will be released from all its obligations in relation to Warid's loan facilities, including the Guarantee. Under the terms of the sale, SingTel is to receive an aggregate consideration comprising US\$150 million in several tranches and a right to receive a 7.5% share of the net proceeds from any future sale, public offering or merger of Warid ("**Future Transaction Interest**"). Excluding the value of any Future Transaction Interest, the estimated loss on disposal will be approximately S\$230 million, including the foreign currency translation losses of S\$366 million and transaction costs.

**20. GROUP SEGMENT INFORMATION**

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

For the nine months ended 31 December 2012, the Group's reportable segments is prepared 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 associates and joint ventures which mainly comprised AIS in Thailand, Airtel in India, Globe in the Philippines, and Telkomsel in Indonesia.

The main services and products provided in 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 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 held at corporate level include cash and bank balances, fixed deposits and AFS investments.

**20. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2012*

Group - 2012 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	5,043.7	8,657.9	-	-	<b>13,701.6</b>
Segment results	1,099.6	1,017.0	-	-	<b>2,116.6</b>
Other income	28.5	49.7	-	-	<b>78.2</b>
<b>Profit before exceptional items</b>	<b>1,128.1</b>	<b>1,066.7</b>	-	-	<b>2,194.8</b>
Exceptional items	113.2	(48.6)	-	-	<b>64.6</b>
<b>Profit on operating activities</b>	<b>1,241.3</b>	<b>1,018.1</b>	-	-	<b>2,259.4</b>
Share of results of associates and joint ventures					
- Airtel	-	-	126.6	-	<b>126.6</b>
- Telkomsel	-	-	568.2	-	<b>568.2</b>
- Globe	-	-	57.9	-	<b>57.9</b>
- AIS	-	-	242.4	-	<b>242.4</b>
- Others	-	-	49.5	-	<b>49.5</b>
	-	-	1,044.6	-	<b>1,044.6</b>
<b>Profit before interest, investment income (net) and tax</b>	<b>1,241.3</b>	<b>1,018.1</b>	<b>1,044.6</b>	-	<b>3,304.0</b>
Interest and investment income (net)	19.9	8.9	-	-	<b>28.8</b>
Finance costs	(114.8)	(148.2)	-	-	<b>(263.0)</b>
<b>Profit before tax</b>	<b>1,146.4</b>	<b>878.8</b>	<b>1,044.6</b>	-	<b>3,069.8</b>
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	-	-	4,374.3	-	<b>4,374.3</b>
- Telkomsel	-	-	3,340.9	-	<b>3,340.9</b>
- Globe	-	-	1,037.0	-	<b>1,037.0</b>
- AIS	-	-	689.7	-	<b>689.7</b>
- Others	-	-	393.2	-	<b>393.2</b>
	-	-	9,835.1	-	<b>9,835.1</b>
Goodwill on acquisition of subsidiaries	370.8	9,570.4	-	-	<b>9,941.2</b>
Other assets	7,858.4	16,810.7	-	(4,876.7)	<b>19,792.4</b>
	<b>8,229.2</b>	<b>26,381.1</b>	<b>9,835.1</b>	<b>(4,876.7)</b>	<b>39,568.7</b>

**20. GROUP SEGMENT INFORMATION (Continued)***For the nine months ended 31 December 2012*

Group - 2011 (Unaudited)	Singapore S\$ Mil	Australia S\$ Mil	Assoc & JV S\$ Mil	Elim S\$ Mil	Group Total S\$ Mil
<b>Operating revenue</b>	4,833.4	9,211.7	-	-	14,045.1
Segment results	1,131.2	1,077.7	-	-	2,208.9
Other income	38.0	48.3	-	-	86.3
<b>Profit before exceptional items</b>	1,169.2	1,126.0	-	-	2,295.2
Exceptional items	34.1	(23.5)	-	-	10.6
<b>Profit on operating activities</b>	1,203.3	1,102.5	-	-	2,305.8
Share of results of associates and joint ventures					
- Airtel	-	-	269.1	-	269.1
- Telkomsel	-	-	499.8	-	499.8
- Globe	-	-	93.6	-	93.6
- AIS	-	-	193.6	-	193.6
- Others	-	-	8.5	-	8.5
	-	-	1,064.6	-	1,064.6
<b>Profit before interest, investment income (net) and tax</b>	1,203.3	1,102.5	1,064.6	-	3,370.4
Interest and investment income (net)	36.0	16.4	-	-	52.4
Finance costs	(158.2)	(141.7)	-	-	(299.9)
<b>Profit before tax</b>	1,081.1	977.2	1,064.6	-	3,122.9
<b>Segment assets</b>					
Investment in associates and joint ventures					
- Airtel	-	-	4,571.5	-	4,571.5
- Telkomsel	-	-	3,294.5	-	3,294.5
- Globe	-	-	1,059.6	-	1,059.6
- AIS	-	-	669.9	-	669.9
- Others	-	-	480.4	-	480.4
	-	-	10,075.9	-	10,075.9
Goodwill on acquisition of subsidiaries	81.9	9,578.1	-	-	9,660.0
Other assets	7,957.3	17,207.6	-	(5,128.8)	20,036.1
	8,039.2	26,785.7	10,075.9	(5,128.8)	39,772.0

**20. GROUP SEGMENT INFORMATION (Continued)**

*For the nine months ended 31 December 2012*

From 1 April 2012, SingTel Group is restructured into three business segments, namely Group Consumer, Group Enterprise (formerly Group ICT), and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the regional associates and joint ventures in the emerging markets. It focuses on driving more value from the core carriage business including mobile, fixed and satellite telecommunications 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 rendered included IT & Engineering, Managed Services, local and international leased circuits and mobile.

Group Digital Life focuses on developing new digital growth engines for existing customers and disrupting adjacent industries. It includes pay TV, e-commerce, concierge and hyper-local services, and mobile advertising.

Separate financial information on new business segments in accordance with FRS 108 *Operating Segments* will be disclosed when the requirements of FRS 108 are met after the transition period.

Revenues for each of the new business segments for the nine months ended 31 December 2012 are set out below:

Group	S\$ Mil (Unaudited)
Group Consumer	8,757.7
Group Enterprise	4,771.8
Group Digital Life	171.8
Inter-segment elimination	0.3
	<b>13,701.6</b>

**OTHER INFORMATION**

21. The statement of financial position as at 31 December 2012 and the income statement, statements of comprehensive income, changes in equity and cash flows for the third quarter and nine months ended 31 December 2012 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 33 of this announcement).

22. **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 2012.

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

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2012.

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

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2012.



**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 2012 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 February 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 THIRD  
QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2012****Introduction**

We have reviewed the accompanying statement of financial position of Singapore Telecommunications Limited ("SingTel" or the "Company") as of 31 December 2012 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 2012 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  
13 February 2013