SingTel

Singapore Telecommunications Limited
And Subsidiary Companies

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2013

The financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards, which are the same, in material respects, to International Financial Reporting Standards. The financial statements for the period ended, and as at, 31 December 2013 are unaudited.

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

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

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

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FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

- **Underlying net profit grew 4.0% despite currency headwinds.**

- **In constant currency terms[1], underlying net profit increased strongly by 11% as EBITDA grew 5.7% and associates' pre-tax contributions increased a robust 23% driven mainly by improvement in Airtel's performance.**

- **Free cash flow[2] of S$712 million was higher by 6.9% or S$46 million, due to higher dividends from associates and lower capital expenditure.**

FINANCIAL HIGHLIGHTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2013

- **Net profit was up 4.3%, with earnings growth diluted by the effect of the weaker Australian Dollar and regional currencies.**

- **In constant currency terms[1], net profit increased 9.3% as EBITDA grew 7.1% and associates' pre-tax contributions increased 12%.**

- **Free cash flow[2] was stable at S$2.52 billion.**

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[1] Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 December 2012.

[2] Adjusted to exclude payment of S$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

SECTION 1 : GROUP

	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY Chge %
Operating revenue	4,263	4,597	-7.3	12,720	13,702	-7.2
EBITDA	1,264	1,262	0.1	3,858	3,771	2.3
EBITDA margin	*29.6%*	*27.5%*		*30.3%*	*27.5%*	
Share of associates' pre-tax profits	539	486	10.9	1,635	1,566	4.4
EBITDA and share of associates' pre-tax profits	1,803	1,748	3.1	5,493	5,337	2.9
EBIT	1,270	1,224	3.7	3,894	3,760	3.6
(excluding share of associates' pre-tax profits)	*731*	*739*	*-1.1*	*2,259*	*2,195*	*2.9*
Underlying net profit	910	874	4.0	2,690	2,610	3.1
Exceptional items (post-tax)	(37)	(47)	-21.4	64	30	112.4
Net profit	872	827	5.5	2,754	2,640	4.3
Free cash flow [(1)]	712	666	6.9	2,523	2,493	1.2
Underlying earnings per share (S cents)	5.71	5.49	4.0	16.88	16.38	3.1
Basic earnings per share (S cents)	5.47	5.19	5.4	17.28	16.57	4.3

	As at 31 Dec 2013 S$ m	As at 30 Sep 2013 S$ m	As at 31 Dec 2012 S$ m
Total assets	38,970	38,647	39,569
Shareholders' funds	22,536	22,926	22,632
Net debt [(2)]	7,146	7,771	7,571
Net debt gearing ratio [(3)]	*24.1%*	*25.3%*	*25.0%*
Net debt to EBITDA and share of associates' pre-tax profits [(4)]	*0.98X*	*1.05X*	*1.06X*
Interest cover:			
- EBITDA and share of associates' pre-tax profits/ net interest expense [(5)]	*28.0X*	*27.8X*	*23.4X*

Notes:

(1) Adjusted to exclude payment of S$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

(2) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.

(3) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.

(4) Net debt to EBITDA and share of associates' pre-tax profits is calculated on an annualised basis.

(5) Net interest expense refers to interest expense less interest income.

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GROUP SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Operating revenue	**4,263**	**4,597**	**-7.3**	**12,720**	**13,702**	**-7.2**
Operating expenses	(3,023)	(3,361)	-10.1	(8,941)	(10,008)	-10.7
	1,241	1,236	0.4	3,779	3,693	2.3
Other income	23	27	-12.7	79	78	1.4
EBITDA	**1,264**	**1,262**	**0.1**	**3,858**	**3,771**	**2.3**
- EBITDA margin	***29.6%***	***27.5%***		***30.3%***	***27.5%***	
Share of associates' pre-tax profits						
- operating results	531	486	9.4	1,621	1,566	3.5
- exceptional items	8	-	nm	14	-	nm
	539	486	10.9	1,635	1,566	4.4
EBITDA and share of associates' pre-tax profits	**1,803**	**1,748**	**3.1**	**5,493**	**5,337**	**2.9**
Depreciation	(491)	(492)	-0.2	(1,474)	(1,461)	0.9
Amortisation of intangibles	(42)	(32)	33.3	(125)	(115)	8.6
	(533)	(524)	1.8	(1,599)	(1,577)	1.4
EBIT	**1,270**	**1,224**	**3.7**	**3,894**	**3,760**	**3.6**
Net finance expense (net)						
- net interest expense	(64)	(73)	-12.9	(196)	(228)	-13.8
- other finance income/ (expense)	30	(5)	nm	59	(6)	nm
	(34)	(78)	-56.8	(138)	(234)	-41.2
Profit before exceptional items and tax	**1,236**	**1,147**	**7.8**	**3,756**	**3,526**	**6.5**
Taxation	(326)	(272)	19.7	(1,062)	(915)	16.1
Profit after tax	**911**	**875**	**4.1**	**2,695**	**2,612**	**3.2**
Minority interests	(1)	*	nm	(5)	(1)	228.6
Underlying net profit	**910**	**874**	**4.0**	**2,690**	**2,610**	**3.1**
Exceptional items (post-tax)	(37)	(47)	-21.4	64	30	112.4
Net profit	**872**	**827**	**5.5**	**2,754**	**2,640**	**4.3**
Depreciation as % of operating revenue	***12%***	***11%***		***12%***	***11%***	

Unless otherwise stated, the presentation of income statements in this document is consistent with prior periods. For income statements presented in accordance with FRS 1, ***Presentation of Financial Statements***, please refer to “SGX Appendix 7.2 Announcement”.

SECTION 1 : GROUP

BUSINESS SEGMENT TOTALS

From 1 April 2012, the Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital L!fe, to better serve the evolving needs of its customers and to exploit growth opportunities globally.

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, 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, and IT services and professional consulting.

Group Digital L!fe 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 business segments.

The following table shows the operating performance of the three business segments:

	Quarter 31 Dec		YOY Chge	Nine Months 31 Dec		YOY Chge
	2013 S$ m	2012 S$ m	%	2013 S$ m	2012 S$ m	%
Operating revenue						
Group Consumer	2,668	3,011	-11.4	7,945	8,834	-10.1
Group Enterprise	1,548	1,552	-0.2	4,656	4,786	-2.7
Group Digital L!fe	48	34	40.3	119	83	44.1
Group	**4,263**	**4,597**	**-7.3**	**12,720**	**13,702**	**-7.2**
EBITDA						
Group Consumer	805	799	0.8	2,471	2,397	3.1
Group Enterprise	513	499	2.8	1,543	1,507	2.4
Group Digital L!fe	(42)	(15)	177.1	(114)	(71)	61.4
Corporate	(11)	(20)	-43.6	(41)	(61)	-33.2
Group	**1,264**	**1,262**	**0.1**	**3,858**	**3,771**	**2.3**
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	455	445	2.3	1,416	1,337	5.9
Group Enterprise	344	331	3.8	1,035	1,018	1.7
Group Digital L!fe	(56)	(17)	222.5	(151)	(100)	50.2
Corporate	(12)	(20)	-40.3	(41)	(60)	-31.3
Group	**731**	**739**	**-1.1**	**2,259**	**2,195**	**2.9**

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REVIEW OF GROUP OPERATING PERFORMANCE

For The Third Quarter Ended 31 December 2013

The Group delivered strong underlying net profit growth of 11% in constant currency terms. With the effect of weaker regional currencies, underlying net profit was up by a lower 4.0%.

EBITDA was stable although margin expanded 2.1 percentage points. If the Australian Dollar was held constant against the Singapore Dollar from a year ago, EBITDA would have increased by 5.7%.

The Group's operating revenue declined 7.3% as the Australian Dollar depreciated by a significant 9%. In constant currency terms, revenue would have reduced 2.0%, reflecting lower mobile revenue in Australia and a generally cautious business climate.

Group Consumer registered EBITDA growth both in Singapore and Australia. In constant currency terms, EBITDA would have been up 8.6%. In Singapore, EBITDA increased 14% driven by growth in Mobile Communications and Home Services revenues, as well as cost management. In Australia, operating revenue fell 6.9% but EBITDA rose 7.7% on improved cost structure. The decline in revenue was due to lower mobile termination rates from 1 January 2013, lower equipment sales and higher service credits associated with device repayment plans. Consequently, Group Consumer revenue declined 11% and in constant currency terms would have declined by a lower 4.8%.

Group Enterprise delivered resilient performance with EBITDA up 2.8% which included recognition of revenue previously deferred for fibre rollout as well as write-back of provisions no longer required. Operating revenue was stable, impacted by a cautious business climate, keen competition, and the weaker Australian Dollar. In constant currency terms, operating revenue and EBITDA would have increased 2.5% and 4.4% respectively.

During the quarter, Group Enterprise secured major customer wins which included government sector ICT contracts in Singapore and Hong Kong, and a significant contract with UGL Limited to provide managed ICT and mobility services in Australia.

Group Digital L!fe continued to drive growth in the digital space. Operating revenue grew a robust 40% with growth in digital advertising. Revenue from Amobee grew four times in the last seven quarters since acquisition. Negative EBITDA totalled S$42 million, reflecting start-up costs and higher investments in digital businesses. This quarter, Group Digital L!fe won recognition for its mobile music service, AMPed, and the mobile app for Hungrygowhere, and launched mobile gaming portal 'WePlay' with personalised recommendations.

The Group and its regional mobile associates continued to record strong customer growth. Excluding Warid Pakistan which was disposed in March 2013, the combined mobile customer base reached 501 million as at 31 December 2013, up 8.9% from a year ago.

The Group's share of associates' pre-tax profits increased 11% to S$539 million with strong earnings growth from Airtel. Excluding currency translation effect, the pre-tax contribution from the associates would have recorded a strong growth of 23%.

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Telkomsel and AIS recorded strong data growth and higher EBITDA which was partly offset by increased depreciation charges from network rollout. Globe registered service revenue growth and EBITDA increase with continued momentum in broadband and leading in postpaid mobile share. Airtel reported robust improvement in operating performance underpinned by strong operating momentum in India. In Indian Rupee terms, Airtel's consolidated revenue grew 13% and EBITDA increased 23%.

Net finance expense decreased 57%. This was attributed to lower interest rates, and recognition of S$27 million (Q3 FY2013: Nil) of dividend income from a joint venture, Pacific Carriage Holdings Limited ("**PCHL**"), which is part of the Southern Cross Consortium (see Page 12).

The higher tax expense resulted from share of Airtel's higher income taxes in Africa, coupled with a lower tax base in the same quarter last year from the recognition of some one-off tax credits.

The net exceptional loss of S$37 million mainly comprised the Group's share of Airtel's exceptional tax expense of S$17 million for settlement of tax disputes, post-tax share of Globe's accelerated depreciation of S$8 million (Q3 FY2013: S$21 million) from its network and IT transformation, and an impairment charge of S$14 million by SingTel Innov8 on certain venture investments.

Including exceptional items, net profit this quarter rose 5.5% to S$872 million, and in constant currency terms would have increased 13%.

Free cash flow, excluding the payment to NetLink Trust for the transfer of tax benefits utilised by the Group (see page 18), was S$712 million, an increase of 6.9% or S$46 million from the same quarter last year. The increase was due to dividends received from PCHL as well as lower capital expenditure.

The Group continued to maintain a healthy capital structure. As at 31 December 2013, net debt gearing ratio was at 24%.

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for 74% (Q3 FY2013: 76%) of the Group's proportionate revenue and 76% (Q3 FY2013: 76%) of proportionate EBITDA.

For The Nine Months Ended 31 December 2013

Operating revenue for the nine months declined 7.2% to S$12.72 billion but would have declined by a lower 2.7% if the Australian Dollar has remained stable from a year ago.

EBITDA rose 2.3% to S$3.86 billion and would have increased 7.1% in constant currency terms, reflecting an improved cost structure and strong yield focus. With higher associates' contributions and lower net finance expense, underlying net profit grew 3.1% to S$2.69 billion. In constant currency terms, underlying net profit would have been up by a higher 8.2%.

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The Group's net exceptional gain of S$64 million for the current period mainly comprised a S$150 million dilution gain on its equity interest in Airtel, an exceptional charge of S$56 million (post-tax) from the share of Globe's accelerated depreciation and share of an exceptional tax charge of Airtel (see Page 13).

Including exceptional items, net profit for the nine months grew 4.3% to S$2.75 billion, and in constant currency terms would have increased 9.3%.

The Group's free cash flow, excluding the tax benefit consideration payment to NetLink Trust, was stable at S$2.52 billion. Excluding dividends received from associates, free cash flow was S$1.55 billion, 7.3% lower than a year ago due to working capital movements and higher cash tax payments in Australia partly offset by lower capital expenditure.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 30 September 2013 were as follows:

	Quarter		
	31 Dec 2013 S$ m	30 Sep 2013 S$ m	QOQ Chge %
Operating revenue	**4,263**	**4,163**	**2.4**
EBITDA	**1,264**	**1,298**	**-2.6**
EBITDA margin	***29.6%***	***31.2%***	
Share of associates' pre-tax profits	**539**	**519**	**3.9**
EBITDA and share of associates' pre-tax profits	**1,803**	**1,817**	**-0.8**
EBIT	**1,270**	**1,290**	**-1.6**
Profit before exceptional items and tax	1,236	1,235	0.1
Underlying net profit	**910**	**884**	**2.9**
Exceptional items (post-tax)	(37)	(13)	181.8
Net profit	**872**	**870**	**0.2**
Free Cash Flow [1]	**712**	**919**	**-22.5**

Note:

(1) Adjusted to exclude payment of S$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

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Operating revenue increased 2.4% underpinned by seasonality with higher equipment sales in the quarter. EBITDA declined 2.6% on higher customer acquisition and retention costs from increased mobile connections. With higher associates' contributions and lower taxes, underlying net profit rose 2.9%. The lower free cash flow was mainly due to timing of dividend receipts from the associates.

OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2014

For the nine months ended 31 December 2013, Group Consumer revenue declined by 10% with lower revenues in Australia and Group Enterprise revenue decreased by 2.7% due mainly to the cautious business environment in Asia Pacific. The lower revenues were also due to a weaker Australian Dollar.

Consistent with the revenue trends in the first nine months and the currency impact, Group Consumer revenue is expected to decline by low double digit level and Group Enterprise revenue is expected to decline by low single digit level for the current financial year ending 31 March 2014. It was previously guided that Group Consumer revenue will decline by high single digit level and Group Enterprise revenue will be stable.

Cash capital expenditure for Singapore and Australia in the current financial year is projected to be approximately S$2.2 billion instead of S$2.5 billion, lower due to currency effect and delayed spending.

Other than the above, the Group affirms the guidance previously issued in August 2013.

Please refer to **Appendix 6** for further details on the outlook for the current financial year.

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OPERATING REVENUE

By Products and Services	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY Chge %
Mobile communications	1,826	1,979	-7.7	5,501	5,922	-7.1
Data and Internet	764	851	-10.3	2,373	2,585	-8.2
Managed services	411	390	5.5	1,213	1,241	-2.3
Sale of equipment	388	475	-18.3	983	1,177	-16.5
National telephone	368	428	-14.0	1,150	1,299	-11.5
International telephone	171	183	-6.8	528	577	-8.5
Business solutions	137	139	-1.0	399	414	-3.8
Pay television	64	56	15.8	184	159	15.5
Digital businesses (1)	47	34	37.4	116	83	40.7
Fibre rollout and maintenance	39	13	211.9	128	92	38.4
Others	49	51	-3.9	147	154	-4.6
Total	**4,263**	**4,597**	**-7.3**	**12,720**	**13,702**	**-7.2**
Operating revenue	**4,263**	**4,597**	**-7.3**	**12,720**	**13,702**	**-7.2**
Associates' proportionate revenue (2)	2,816	2,851	-1.2	8,502	8,447	0.6
Group's proportionate revenue	**7,080**	**7,448**	**-4.9**	**21,221**	**22,149**	**-4.2**

Notes:
(1) Comprise revenues mainly from e-commerce, concierge and hyper-local services, and mobile advertising. Exclude TV advertising revenue under 'Pay television'.
(2) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by SingTel's effective ownership interest.

Operating Revenue Mix	Quarter 31 Dec 2013 %	Quarter 31 Dec 2012 %	Nine Months 31 Dec 2013 %	Nine Months 31 Dec 2012 %
Mobile communications	42.9	43.1	43.3	43.2
Data and Internet	17.9	18.5	18.7	18.8
Managed services	9.7	8.5	9.5	9.1
Sale of equipment	9.1	10.3	7.7	8.6
National telephone	8.6	9.3	9.0	9.5
International telephone	4.0	4.0	4.2	4.2
Business solutions	3.2	3.0	3.1	3.0
Pay television	1.5	1.2	1.4	1.2
Digital businesses	1.1	0.7	0.9	0.6
Fibre rollout and maintenance	0.9	0.3	1.0	0.7
Others	1.1	1.1	1.2	1.1
Total	**100.0**	**100.0**	**100.0**	**100.0**

Operating revenue of the Group has been impacted by the weaker Australian Dollar this quarter. In constant currency terms, revenue declined 2.0%.

Mobile Communications revenue declined 7.7% on lower revenue in Australia and weaker Australian Dollar.

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Data and Internet revenue fell 10% reflecting the impact of keen price competition and decline in legacy data services.

Revenue from Managed Services grew 5.5% with growth in services and maintenance revenues.

The Group's enlarged revenue, including the proportionate share of operating revenue from the associates, was at S$7.08 billion, down 4.9% due mainly to weaker regional currencies.

OPERATING EXPENSES
(Before Depreciation and Amortisation)

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	%	2013 S$ m	2012 S$ m	%
Selling & administrative	1,008	1,205	-16.3	3,000	3,543	-15.3
Cost of sales	705	792	-11.0	1,985	2,261	-12.2
Traffic expenses	663	718	-7.7	1,970	2,179	-9.6
Staff costs	573	567	1.0	1,740	1,762	-1.2
Repair & maintenance	82	83	-1.3	247	251	-1.4
Others	(7)	(4)	94.7	(2)	12	nm
Total	**3,023**	**3,361**	**-10.1**	**8,941**	**10,008**	**-10.7**

As a percentage of operating revenue	Quarter 31 Dec		Nine Months 31 Dec	
	2013 %	2012 %	2013 %	2012 %
Selling & administrative	23.6%	26.2%	23.6%	25.9%
Cost of sales	16.5%	17.2%	15.6%	16.5%
Traffic expenses	15.6%	15.6%	15.5%	15.9%
Staff costs	13.4%	12.3%	13.7%	12.9%
Repair & maintenance	1.9%	1.8%	1.9%	1.8%
Others	-0.2%	-0.1%	**	0.1%
Total	**70.8%**	**73.0%**	**70.3%**	**73.1%**

Total operating expenses decreased 10% from the same quarter last year, and in constant currency terms would have decreased 5.0%.

Selling & administrative expenses, the largest expense category at 24% of operating revenue, declined mainly due to lower handset subsidy costs.

Cost of sales fell 11%, corresponding to lower Sale of equipment revenue.

Traffic expenses decreased 7.7% due to lower interconnect costs in Australia.

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STAFF COSTS

	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY %
Staff costs						
Optus	298	301	-1.0	914	972	-6.0
SingTel and other subsidiaries	275	266	3.2	827	790	4.6
Group	**573**	**567**	**1.0**	**1,740**	**1,762**	**-1.2**

	Quarter 31 Dec 2013	Quarter 30 Sep 2013	Quarter 31 Dec 2012	Nine Months 31 Dec 2013	Nine Months 31 Dec 2012	YOY Chge %
Average number of staff						
Optus	8,848	8,635	8,879	8,685	9,130	-4.9
SingTel and other subsidiaries	13,029	13,201	12,971	13,085	13,213	-1.0
Group	**21,877**	**21,836**	**21,850**	**21,770**	**22,343**	**-2.6**
As at end of period						
Optus	8,921	8,683	8,764	8,921	8,764	1.8
SingTel and other subsidiaries	13,020	13,124	12,960	13,020	12,960	0.5
Group	**21,941**	**21,807**	**21,724**	**21,941**	**21,724**	**1.0**

Staff costs increased 1.0% year-on-year. It would have increased 5.9% in constant currency terms due mainly to annual salary increments and headcount increase at Optus to support its retail distribution strategy.

As of 31 December 2013, Group headcount increased 1.0% or 217 from a year ago to 21,941.

SECTION 1 : GROUP

NET FINANCE EXPENSE (NET)

	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY Chge %
Net interest expense:						
- Interest income	4	4	-12.5	10	11	-8.0
- Interest expense	(72)	(82)	-12.1	(222)	(254)	-12.7
	(69)	(78)	-12.0	(212)	(243)	-12.9
- Net interest income from NetLink Trust [(1)]	5	5	**	15	15	**
	(64)	**(73)**	**-12.9**	**(196)**	**(228)**	**-13.8**
Other finance income/ (expense):						
- Dividend income from Southern Cross/ PCHL	27	-	nm	47	-	nm
- Investment gain [(2)]	1	1	**	5	5	-2.0
- Net foreign exchange gain/ (loss)	1	(6)	nm	*	(13)	nm
- Fair value adjustments [(3)]	2	1	220.0	7	2	250.0
	30	**(5)**	**nm**	**59**	**(6)**	**nm**
Net finance expense	**(34)**	**(78)**	**-56.8**	**(138)**	**(234)**	**-41.2**

Notes:

(1) Comprise interest earned on the unitholder's loan to NetLink Trust, and finance lease expenses on the exchange buildings leased from NetLink Trust.

(2) Comprise mainly dividend income from other non-equity accounted investments.

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

Interest expense decreased due mainly to lower interest rates.

In the quarter, the Group recognised S$27 million of dividend income from a 40%-owned joint venture, PCHL, part of the Southern Cross Consortium.

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EXCEPTIONAL ITEMS [1]

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Exceptional (losses)/ gains						
Dilution gain on Airtel	-	-	-	150	-	nm
Gain on sale of FET (available-for-sale investment)	-	-	-	-	119	nm
Gain on sale of venture investments	-	-	-	6	-	nm
Net income from Optus' legal disputes	-	-	-	-	36	nm
Optus' ex-gratia costs	-	(38)	nm	-	(84)	nm
Share of Globe's accelerated depreciation	(12)	(30)	-60.3	(84)	(70)	20.4
Impairment of venture investments	(14)	-	nm	(18)	(7)	174.2
Others	1	*	nm	(3)	1	nm
Group net exceptional (losses)/ gains (pre-tax)	**(24)**	**(67)**	**-64.6**	**50**	**(5)**	**nm**
Exceptional tax (expense)/ credit						
Share of Airtel's exceptional tax expense	(17)	-	nm	(17)	-	nm
Share of Globe's tax credit on accelerated depreciation	3	9	-60.5	28	20	36.8
Others	-	11	nm	2	15	-84.2
Group exceptional taxes	**(13)**	**20**	**nm**	**13**	**35**	**-61.7**
Group net exceptional (losses)/ gains (post-tax)	**(37)**	**(47)**	**-21.4**	**64**	**30**	**112.4**

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

In the quarter, the Group recognised its share of Airtel's exceptional tax expense of S$17 million for settlement of certain tax disputes.

Other exceptional items included the Group's post-tax share of S$8 million (Q3 FY2013: S$21 million) of Globe's accelerated depreciation from its network and IT transformation, and an impairment charge of S$14 million by SingTel Innov8 on certain venture investments.

SECTION 1 : GROUP

TAX EXPENSE

	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY Chge %
Income tax expense						
Optus	100	90	11.3	303	277	9.2
SingTel and other subsidiaries	43	28	49.6	136	94	45.8
Tax expense of SingTel and its subsidiaries (a)	142	118	20.5	439	371	18.5
Share of associates' tax expense (1) (b)	184	154	19.0	532	467	13.9
Withholding taxes on dividend income from associates (2)	-	-	-	91	77	18.1
Total	**326**	**272**	**19.7**	**1,062**	**915**	**16.1**
Profit before exceptional items and tax	1,236	1,147	7.8	3,756	3,526	6.5
Exclude:						
Share of associates' pre-tax profits	(539)	(486)	10.9	(1,635)	(1,566)	4.4
Adjusted pre-tax profit (c)	**698**	**661**	**5.5**	**2,121**	**1,961**	**8.2**
Effective tax rate of SingTel and subsidiaries (a)/(c)	***20.4%***	***17.8%***		***20.7%***	***18.9%***	
Share of associates' pre-tax profits (d)	539	486	10.9	1,635	1,566	4.4
Effective tax rate of associates (b)/(d)	***34.1%***	***31.8%***		***32.5%***	***29.8%***	

Notes:

(1) Exclude share of Airtel's exceptional tax expense of S$17 million in the current quarter, which has been classified as an exceptional item of the Group (see Page 13).

(2) Withholding taxes are deducted at source when dividends are remitted by the overseas associates. For accounting purposes, the dividend income and related withholding taxes are accrued when declared by the associates. Dividend income has no impact on the income statement of the Group as they are eliminated at Group. The cash inflows upon the receipt of dividend are shown in **Section 5**.

The increase in the Group's tax expense (before associates' taxes) was mainly attributed to some one-off tax credits recognised in the corresponding quarter last year.

The increase in share of associates' tax expense was mainly due to Airtel's higher income taxes in Africa from increased withholding taxes on dividends from its subsidiaries and tax assessments.

SECTION 1 : GROUP

SUMMARY STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Dec 2013 S$ m	30 Sep 2013 S$ m	31 Dec 2012 S$ m
Current assets (excluding cash)	3,708	3,834	3,795
Cash and bank balances	1,283	861	831
Non-current assets	33,980	33,952	34,943
Total assets	**38,970**	**38,647**	**39,569**
Current liabilities	7,265	6,823	6,327
Non-current liabilities	9,150	8,877	10,587
Total liabilities	**16,415**	**15,700**	**16,913**
Net assets	**22,556**	**22,947**	**22,656**
Share capital	2,634	2,634	2,634
Reserves	19,902	20,292	19,998
Equity attributable to shareholders	**22,536**	**22,926**	**22,632**
Minority interest	19	21	24
	22,556	**22,947**	**22,656**

The Group is in a sound financial position as at 31 December 2013. SingTel is rated Aa3 by Moody's and A+ by Standard & Poor's.

On 13 November 2013, the Directors approved an interim dividend of 6.8 cents per share totalling S$1.08 billion in respect of the current financial year ending 31 March 2014. The dividend has been accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the current quarter ended 31 December 2013. The interim dividend was paid in January 2014.

SECTION 1 : GROUP

LIQUIDITY AND GEARING

	As at		
	31 Dec 2013 S$ m	30 Sep 2013 S$ m	31 Dec 2012 S$ m
Gross debt			
Current debt	1,633	2,034	392
Non-current debt	6,710	6,382	7,574
Gross debt as reported in statement of financial position	**8,343**	**8,416**	**7,966**
Related net hedging liability [1]	86	216	436
	8,429	**8,632**	**8,402**
Less : Cash and bank balances	(1,283)	(861)	(831)
Net debt	**7,146**	**7,771**	**7,571**
Gross debt gearing ratio [(2)]	***27.2%***	***27.3%***	***27.1%***
Net debt gearing ratio	***24.1%***	***25.3%***	***25.0%***

Notes:
(1) The net hedging liability relates to the fair values of cross currency and interest rate swaps.
(2) Gross debt gearing ratio refers to the ratio of gross debt to gross capitalisation. Gross capitalisation is the aggregate of gross debt, shareholders' funds and minority interests.

Hedged gross debt decreased by S$203 million to S$8.43 billion from a quarter ago mainly due to a net decrease in borrowings of S$56 million, and mark-to-market movements.

The Group issued a A$300 million 5-year Note under the A$ Debt Issuance Programme in December 2013, and a US$100 million 5-year Note under the Euro Medium Term Note Programme in January 2014.

SECTION 1 : GROUP

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Nine Months		YOY
	31 Dec	31 Dec	30 Sep	31 Dec		Chge
	2013	2012	2013	2013	2012	
	S$ m	S$ m	S$ m	S$ m	S$ m	%
Net cash inflow from operating activities						
Profit before exceptional items and tax	**1,236**	**1,147**	**1,235**	**3,756**	**3,526**	**6.5**
Non-cash items	33	91	70	112	225	-50.1
Operating cash flow before working capital changes	1,269	1,238	1,305	3,869	3,751	3.1
Changes in operating assets and liabilities	(112)	(68)	24	(553)	(305)	81.4
	1,157	1,170	1,330	3,316	3,446	-3.8
Cash paid to employees under performance share plans	-	-	(1)	(5)	(3)	48.5
Net tax (paid)/ refund on operating activities	(37)	18	(228)	(312)	(109)	187.6
Operating cash flow (before associates' dividends)	**1,120**	**1,188**	**1,101**	**2,999**	**3,334**	**-10.1**
Dividends received from associates	51	15	285	1,072	903	18.6
Withholding tax paid on dividends received	-	-	(27)	(99)	(83)	18.7
	1,171	**1,203**	**1,359**	**3,971**	**4,154**	**-4.4**
Tax benefit payment to NetLink Trust	(143)	-	-	(143)	-	nm
	1,029	**1,203**	**1,359**	**3,829**	**4,154**	**-7.8**
Net cash outflow for investing activities						
Payment for purchase of property, plant and equipment	(460)	(537)	(441)	(1,448)	(1,661)	-12.8
Investment in associates	(13)	(1)	(385)	(398)	(7)	@
Proceeds from disposal of associates	38	-	-	38	-	nm
Payment for purchase of licences and other intangibles	(24)	(47)	(40)	(254)	(141)	79.7
Payment for purchase of subsidiaries	(7)	(5)	(31)	(48)	(670)	-92.8
Investment in venture investments	(2)	(13)	(38)	(48)	(45)	6.3
Proceeds from disposal of available-for-sale investments	*	-	7	8	337	-97.7
Proceeds from disposal of property, plant and equipment	*	1	1	6	8	-27.2
Withholding tax paid on interest received on inter-company loans	-	-	(18)	(18)	(31)	-44.1
Others *(interest received, etc)*	20	20	6	45	44	4.1
	(448)	**(582)**	**(937)**	**(2,116)**	**(2,166)**	**-2.3**
Net cash outflow for financing activities						
Net (decrease)/ increase in borrowings	(56)	(575)	795	564	(770)	nm
Net interest paid on borrowings and swaps	(85)	(96)	(68)	(244)	(270)	-9.8
Final dividend paid to shareholders	-	-	(1,594)	(1,594)	(1,434)	11.2
Purchase of performance shares	(6)	(5)	(5)	(31)	(31)	-1.6
Others	(6)	1	-	(6)	1	nm
	(153)	**(676)**	**(872)**	**(1,311)**	**(2,504)**	**-47.7**
Net increase/ (decrease) in cash and cash equivalents	**428**	**(56)**	**(450)**	**402**	**(517)**	**nm**
Exchange effects on cash and cash equivalents	(6)	4	(1)	(30)	1	nm
Group cash and cash equivalents at beginning	**861**	**883**	**1,312**	**911**	**1,346**	**-32.3**
Group cash and cash equivalents at end	**1,283**	**831**	**861**	**1,283**	**831**	**54.4**
Singapore	370	408	384	971	1,012	-4.1
Optus	290	243	277	580	661	-12.3
	660	**651**	**661**	**1,551**	**1,674**	**-7.3**
Dividends received from associates (net of withholding tax)	51	15	258	973	820	18.6
Group free cash flow (1)	**712**	**666**	**919**	**2,523**	**2,493**	**1.2**
Optus (in A$)	*250*	*189*	*239*	*516*	*519*	*-0.6*
Cash capex to operating revenue	***11%***	***12%***	***11%***	***11%***	***12%***	

Note:

(1) Adjusted to exclude payment of S$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S$143 million was subsequently applied by NetLink Trust towards the acquisition of OpenNet.

SECTION 1 : GROUP

Operating cash flow (before associates' dividend receipts) declined 5.7% to S$1.12 billion due mainly to working capital movements. Gross dividends from associates increased by S$36 million due to dividend received from PCHL.

Compared to a quarter ago, operating cash flow grew 1.7% mainly attributed to higher cash tax payments in Australia in the preceding quarter.

Net cash outflow for investing activities was S$448 million. Capital expenditure was 14% lower at S$460 million, and constituted 11% of operating revenue. Major investments across Singapore and Australia in the quarter included approximately S$231 million for mobile networks including LTE deployment, and S$115 million for fixed and data infrastructure.

During the quarter, the Group made payments of S$143 million to NetLink Trust in consideration of its transfer of tax benefits utilised by the Group, and S$11 million for additional investment in NetLink Trust. The monies were subsequently utilised by NetLink Trust for its acquisition of 100% equity interest in OpenNet. The Group received its share of the sale proceeds of S$38 million following the divestment of its equity interest in OpenNet to NetLink Trust.

The Group's free cash flow, excluding the tax benefit consideration payment to NetLink Trust, grew 6.9% to S$712 million with higher associates' dividend receipts and lower capital expenditure.

Net cash financing outflow of S$153 million mainly comprised interest payments of S$85 million and net decrease in borrowings of S$56 million.

Overall cash balance increased S$422 million from a quarter ago, and the cash balance was S$1.28 billion at 31 December 2013.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER

MANAGEMENT DISCUSSION AND ANALYSIS

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the regional associates and joint ventures in the emerging markets. The results of regional associates and joint ventures are discussed in **Section 5**.

FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

- **Operating revenue at S$2.67 billion – down 11%.**
- **EBITDA stable at S$805 million.**
- **EBIT at S$455 million – up 2.3%.**

FOR THE NINE MONTHS ENDED 31 DECEMBER 2013

- **Operating revenue at S$7.95 billion – down 10%.**
- **EBITDA at S$2.47 billion – up 3.1%.**
- **EBIT at S$1.42 billion – up 5.9%.**

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec		YOY Chge	Nine Months 31 Dec		YOY Chge
	2013 S$ m	2012 S$ m	%	2013 S$ m	2012 S$ m	%
Operating revenue	**2,668**	**3,011**	**-11.4**	**7,945**	**8,834**	**-10.1**
Operating expenses	(1,879)	(2,233)	-15.8	(5,526)	(6,501)	-15.0
	789	778	1.3	2,419	2,333	3.7
Other income	17	21	-20.0	51	64	-19.6
EBITDA	**805**	**799**	**0.8**	**2,471**	**2,397**	**3.1**
- margin	***30.2%***	***26.5%***		***31.1%***	***27.1%***	
Depreciation & amortisation	(350)	(354)	-1.2	(1,055)	(1,059)	-0.4
EBIT	**455**	**445**	**2.3**	**1,416**	**1,337**	**5.9**

	Quarter 31 Dec		YOY Change	Nine Months 31 Dec		YOY Change
	2013 S$ m	2012 S$ m	%	2013 S$ m	2012 S$ m	%
Selling & administrative	736	958	-23.1	2,237	2,828	-20.9
Traffic expenses	477	522	-8.7	1,421	1,588	-10.5
Cost of sales	378	466	-18.8	986	1,181	-16.5
Staff costs	236	226	4.7	713	721	-1.0
Repair & maintenance	45	55	-19.0	147	165	-10.6
Others	7	6	24.1	21	20	7.7
Operating expenses	**1,879**	**2,233**	**-15.8**	**5,526**	**6,501**	**-15.0**

GROUP CONSUMER OPERATING HIGHLIGHTS
For The Third Quarter Ended 31 December 2013

Australia Consumer contributed 77% (Q3 FY2013: 81%) and 81% (Q3 FY2013: 83%) to the Group Consumer operating revenue and EBITDA respectively. The Australian Dollar declined 9% against the Singapore Dollar from the same quarter last year, adversely impacting Group Consumer's results.

SECTION 2 : GROUP CONSUMER

EBITDA was stable and EBITDA margin expanded 3.7 percentage points. Operating revenue for Singapore Consumer grew 3.7% while Australia Consumer revenue in Australian Dollar terms fell 6.9%. With the weaker Australian Dollar, Group Consumer revenue declined 11%. Australia operating revenue declined with lower equipment sales, decline in mobile termination rates from 1 January 2013 and higher service credits associated with device repayment plans. If the Australian Dollar was held constant against the Singapore Dollar, Group Consumer operating revenue would have declined 4.8% and EBITDA would have increased 8.6%.

In Singapore, EBITDA grew 14% driven by both revenue growth and cost management. Investments in the 4G LTE and 3G networks continued to deliver customer growth and increased data penetration, while handset subsidies continued to reduce.

In Australia, despite lower operating revenue, EBITDA grew 7.7% benefiting from lower subsidy costs and earlier improvement measures in its cost structure. Total operating expenses decreased 12% year-on-year, driven by lower selling and administrative expenses, cost of sales and traffic expenses.

Group Consumer EBIT grew 2.3%, and in constant currency terms would have increased 10%.

For The Nine Months Ended 31 December 2013

Group Consumer delivered a strong performance in the nine months, with EBITDA and EBIT growing 3.1% and 5.9% respectively.

In constant currency terms, operating revenue declined 4.4% while EBITDA and EBIT grew 9.8% and 13% respectively.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Operating revenue	**607**	**585**	**3.7**	**1,731**	**1,670**	**3.7**
Operating expenses	(449)	(449)	-0.1	(1,223)	(1,231)	-0.6
	158	136	16.5	507	438	15.7
Other income (2)	1	4	-78.2	6	17	-65.6
EBITDA	**159**	**140**	**13.5**	**513**	**455**	**12.7**
- margin	***26.2%***	***23.9%***		***29.7%***	***27.3%***	
EBIT	**101**	**85**	**18.9**	**343**	**288**	**19.1**

Notes:
(1) The above figures do not include the corporate cost of SingTel's International Group, which oversees the investments in regional mobile associates.
(2) Comprise trade foreign exchange differences, rental income etc.

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Mobile communications	322	304	5.8	950	889	6.8
Sale of equipment	89	90	-1.5	204	214	-4.6
International telephone	56	59	-6.2	170	183	-7.3
Internet	52	57	-9.9	159	168	-5.3
National telephone	34	36	-6.4	104	111	-6.7
Residential mio TV (1)	39	28	40.6	107	76	41.4
Others (2)	15	9	62.9	37	28	32.1
Operating revenue	**607**	**585**	**3.7**	**1,731**	**1,670**	**3.7**
Selling & administrative	203	216	-5.8	554	576	-3.8
Traffic expenses	86	74	16.3	247	231	6.7
Cost of sales	86	87	-0.7	198	205	-3.4
Staff costs	49	49	0.5	150	149	0.8
Repair & maintenance	12	10	13.4	34	31	9.2
Others (3)	13	14	-9.5	40	38	4.3
Operating expenses	**449**	**449**	**-0.1**	**1,223**	**1,231**	**-0.6**

Notes:
(1) Include one-off rebates of S$4 million in the June 2012 quarter.
(2) Include inter-operator tariff discounts, and revenue from mobile network cabling works and projects.
(3) Include property related expenses, project costs recovery and other operating expenses.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER OPERATING PERFORMANCE
For The Third Quarter Ended 31 December 2013

The Singapore Consumer operations grew EBITDA and EBIT by 14% and 19% respectively.

Operating revenue increased 3.7% with strong growth from Mobile Communications and mio TV offsetting the decline in fixed services.

Mobile Communications revenue grew 5.8%. The growth was contributed by higher plan subscription revenue from increased proportion of customers on tiered 4G LTE data plans, increased data penetration among prepaid customers as well as higher roaming revenue. The increase in subscriptions and data usage continued to offset lower voice usage and SMS revenue.

Home Services revenue comprising residential mio TV, fixed broadband and voice grew by 4.1%. Residential mio TV enlarged its Chinese and English content offerings with the introduction of the cHK and RTL-CBS channels. While the expanded content suite helped mio TV increased its revenue by 41%, fixed broadband revenue was dampened by promotional offers for fibre broadband services including waiver of installation charges, discounts and speed upgrades in light of the intense competitive environment. Customers on bundled triple/quad play services increased by 7.7% to 364,000 as at 31 December 2013.

Overall operating expenses were flat. Traffic expenses increased by 16% due to higher roaming charges, as more customers subscribed to data roaming plans when travelling abroad. Selling and administrative expenses fell 5.8% with lower customer acquisition costs attributed to the reduction in handset subsidies as well as lower connection volumes.

Other income decreased due mainly to foreign exchange losses incurred this quarter from unfavourable foreign exchange rate movements.

For The Nine Months Ended 31 December 2013

Operating revenue for the nine months grew 3.7% to S$1.73 billion.

EBITDA grew 13% and EBIT grew 19%, which were higher than revenue growth due to lower selling and administrative expenses from lower equipment subsidies and reduction in advertising and promotion spend.

SECTION 2 : GROUP CONSUMER

AUSTRALIA CONSUMER SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec 2013 A$ m	Quarter 31 Dec 2012 A$ m	YOY Chge %	Nine Months 31 Dec 2013 A$ m	Nine Months 31 Dec 2012 A$ m	YOY Chge %
Operating revenue	**1,779**	**1,910**	**-6.9**	**5,244**	**5,594**	**-6.3**
Operating expenses	(1,230)	(1,401)	-12.2	(3,614)	(4,105)	-11.9
	549	509	7.9	1,630	1,490	9.4
Other income	13	13	-0.2	37	36	2.9
EBITDA	**562**	**522**	**7.7**	**1,667**	**1,526**	**9.2**
- margin	***31.6%***	***27.3%***		***31.8%***	***27.3%***	
EBIT	**309**	**286**	**8.2**	**921**	**830**	**10.9**

	Quarter 31 Dec 2013 A$ m	Quarter 31 Dec 2012 A$ m	YOY Chge %	Nine Months 31 Dec 2013 A$ m	Nine Months 31 Dec 2012 A$ m	YOY Chge %
Incoming	238	256	-6.9	696	753	-7.5
Outgoing	876	905	-3.2	2,624	2,730	-3.9
Total Mobile Service (1)	1,115	1,161	-4.0	3,320	3,483	-4.7
Equipment	215	267	-19.6	554	664	-16.7
Total Mobile Revenue	**1,330**	**1,428**	**-6.9**	**3,874**	**4,147**	**-6.6**
Voice	139	157	-11.5	429	465	-7.9
Broadband	113	118	-4.0	341	363	-6.1
PayTV	19	19	-4.0	56	58	-3.1
Mass Market Fixed On-net	271	295	-8.0	826	887	-6.8
Mass Market Fixed Off-net	7	8	-8.7	19	25	-23.5
Total Mass Market Fixed	**278**	**302**	**-8.0**	**845**	**912**	**-7.3**
Data & IP	56	60	-6.0	171	178	-3.9
Voice	37	35	4.2	110	103	6.0
Satellite	79	85	-7.4	245	254	-3.8
Total Wholesale Fixed	**171**	**180**	**-4.7**	**525**	**536**	**-2.0**
Operating revenue	**1,779**	**1,910**	**-6.9**	**5,244**	**5,594**	**-6.3**

Note:
(1) Includes international incoming and outgoing revenue.

SECTION 2 : GROUP CONSUMER

	Quarter 31 Dec		YOY Chge	Nine Months 31 Dec		YOY Chge
	2013 A$ m	2012 A$ m	%	2013 A$ m	2012 A$ m	%
Selling & administrative	443	567	-22.0	1,366	1,713	-20.3
Traffic expenses	337	353	-4.5	991	1,059	-6.4
Cost of sales	252	298	-15.5	666	762	-12.7
Staff costs	159	138	14.8	464	437	6.0
Repair & maintenance	28	35	-19.4	95	104	-8.7
Others	11	10	12.2	33	29	12.6
Operating expenses	**1,230**	**1,401**	**-12.2**	**3,614**	**4,105**	**-11.9**

AUSTRALIA CONSUMER OPERATING PERFORMANCE
For The Third Quarter Ended 31 December 2013

This quarter, Australia Consumer continued to execute on its transformation plan, and kept its focus on sustained profitability, improving customer experience and positioning itself to capitalise on mobile data usage growth. EBITDA grew 7.7% although operating revenue declined A$131 million or 6.9%.

The decline in mobile revenue by A$98 million or 6.9% was attributed to the following items that have minimal impact on EBITDA:

- Equipment sales decreasing by A$52 million from lower shipment volumes as device subsidies were reduced;
- Mobile incoming revenue falling by A$19 million from the mandated reduction in the mobile termination rate from 6.0 cents to 4.8 cents per minute from 1 January 2013; and
- Higher service credits associated with the device repayment plans reducing outgoing service revenue by A$17 million.

Customer usage trends continued with lower roaming and voice breakage revenues. The introduction of “My Plan”, which provides customers with data usage certainty, also allows Australia Consumer to further increase data revenues. Excluding the impact of service credits associated with device repayment plans, mobile outgoing service revenue declined 1.2% year-on-year.

Continued focus on customer engagement and innovation has resulted in significant improvements in the market NPS[3] scores, improving from negative to +5 compared to the same quarter last year, as well as a reduction in the average monthly churn from 1.8% to 1.4% this quarter. The customer centric initiatives in Australia included:

- Bringing 120 franchised stores back under Optus ownership, while continuing to rebrand and refit stores;
- Customer centric redesign of the Optus website and the launch of My Optus app;
- Launch of new fixed broadband bundles without hidden fees or restrictive terms; and
- Extending more prepaid plans to 4G.

[3] The Net Promoter Score (“**NPS**”) is a widely used metric to measure customer experience by scoring the willingness of customers to recommend a brand following an interaction with the company.

SECTION 2 : GROUP CONSUMER

Optus was awarded the global leader for Best use of Technology Innovation ('customer call back') and Best use of Social Media ('outstanding focus on customers') at the recent Contact Centre World's annual global award ceremony.

Optus continued its mobile network investment to enhance customer experience, particularly data services. Milestones during the quarter included:

- Completion of the 3G U900 upgrade program, improving metro in-building coverage to 94% through the upgrade of over 4,400 sites nationally since the roll-out commenced; and
- Expanding 4G metro coverage to 50% (on-street) and 35% (in-building), with 1,200 sites upgraded to 4G, in line with our target to reach 70% on-street metro coverage by 31 March 2014.

In Mass Market Fixed, on-net revenue declined 8.0% on decline in the telephony customer base and lower ARPU.

Wholesale fixed revenue was down 4.7% compared to the same quarter last year as the higher voice revenue was offset by lower Satellite and Data and IP revenues.

Total operating expenses fell 12%. Selling and administrative expenses, the largest expense category, declined 22% from lower customer acquisition costs including lower commissions. Traffic expenses declined 4.5% due to lower interconnect costs from the mandated decline in mobile voice termination rates and lower outpayment costs. Cost of sales declined 16% due to lower handset sales. Staff costs were impacted by the increase in Optus owned retail stores, and lower employee related accruals recorded in the same quarter last year.

Overall Australia Consumer EBITDA grew 7.7% and EBITDA margin expanded by 4.3 percentage points to 31.6%.

EBIT increased by 8.2%, with EBITDA growth partly offset by higher depreciation and amortisation charges from increased investment in the mobile network.

For The Nine Months Ended 31 December 2013

For the nine months, Australia Consumer EBITDA grew 9.2% and EBIT was up 11%. Operating revenue declined 6.3% from lower shipment volumes, higher mobile service credits, reduction of mobile termination rates and lower fixed revenues. Operating expenses reduced 12% with lower selling and administrative expenses, cost of sales and traffic costs.

Australian Government's NBN Project

On 12 December 2013, NBN Co released its report following a strategic review of the Australian Government's NBN project. NBN Co has recommended an optimised multi-technology mix model which would require the re-negotiation of a number of existing contracts. The HFC agreement continues to apply and Optus continues to operate under those terms having commenced migration of customers during 2013.

The outcomes of the NBN Co's strategic review, together with a number of other reviews, will form a key input to a new NBN Co Corporate Plan which is to be developed in consultation with the Australian Government.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE

MANAGEMENT DISCUSSION AND ANALYSIS

Group Enterprise provides comprehensive and integrated ICT solutions to enterprise customers both in Singapore and Australia, covering mobile, voice and data infrastructure, managed services, cloud computing, and IT services and professional consulting.

FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

- **Operating revenue was stable at S$1.55 billion.**
- **EBITDA at S$513 million – up 2.8%.**
- **EBIT at S$344 million – up 3.8%.**

FINANCIAL HIGHLIGHTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2013

- **Operating revenue at S$4.66 billion – down 2.7%.**
- **EBITDA at S$1.54 billion – up 2.4%.**
- **EBIT at S$1.04 billion – up 1.7%.**

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013	2012	Chge	2013	2012	Chge
	S$ m	S$ m	%	S$ m	S$ m	%
Operating revenue	**1,548**	**1,552**	**-0.2**	**4,656**	**4,786**	**-2.7**
Operating expenses	(1,041)	(1,060)	-1.8	(3,138)	(3,300)	-4.9
	507	491	3.1	1,518	1,486	2.2
Other income	6	7	-18.9	25	21	17.1
EBITDA	**513**	**499**	**2.8**	**1,543**	**1,507**	**2.4**
- margin	***33.1%***	***32.1%***		***33.1%***	***31.5%***	
Depreciation & amortisation	(169)	(168)	0.8	(507)	(489)	3.7
EBIT	**344**	**331**	**3.8**	**1,035**	**1,018**	**1.7**

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013	2012	Chge	2013	2012	Chge
	S$ m	S$ m	%	S$ m	S$ m	%
Cost of sales	326	323	0.8	995	1,072	-7.2
Staff costs	295	305	-3.3	905	945	-4.2
Selling & administrative	212	222	-4.1	614	622	-1.2
Traffic expenses	186	196	-4.8	549	591	-7.1
Others	21	15	46.6	74	71	5.4
Operating expenses	**1,041**	**1,060**	**-1.8**	**3,138**	**3,300**	**-4.9**

GROUP ENTERPRISE OPERATING HIGHLIGHTS
For the Third Quarter Ended 31 December 2013

Group Enterprise delivered EBITDA growth of 2.8%. If the Australian Dollar was held constant against the Singapore Dollar, EBITDA would have increased by 4.4%, which included the impact of recognition of some deferred revenue and write-back of provisions no longer required. Excluding these one-offs, EBITDA would have been stable in constant currency terms.

Operating revenue was stable amid a cautious business environment in Asia Pacific, keen competition, as well as a weaker Australian Dollar. Singapore Enterprise contributed 72% (Q3 FY2013: 70%) to the Group Enterprise operating revenue. In constant currency terms, revenue would have increased 2.5%.

SECTION 3 : GROUP ENTERPRISE

Total operating expenses decreased 1.8% including the impact of write-back of provisions no longer required. Traffic expenses declined 4.8%, in line with lower related revenue. Staff costs declined 3.3% primarily due to workforce restructuring in Australia.

With flat depreciation and amortisation charges, EBIT increased by 3.8% to S$344 million.

Group Enterprise continued to win various awards and gain industry recognition. *myBusiness*, a portal cum online community for SMEs in Singapore, won the ASEAN ICT Gold Award at the 13th ASEAN Telecommunications and Information Technology Ministers Meeting.

For the Nine Months Ended 31 December 2013

Group Enterprise EBITDA was up 2.4% and EBIT grew 1.7% in the nine months, reflecting careful cost management and the impact of some one-off credits. Operating revenue was down 2.7% mainly due to the cautious business environment in Asia Pacific and a weaker Australian dollar.

In constant currency terms, EBITDA and EBIT would have grown 3.6% and 2.0% respectively while operating revenue would have been stable.

SINGAPORE ENTERPRISE OPERATING REVENUE

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Data and Internet (1)	315	320	-1.6	963	970	-0.7
Managed services (2)	261	263	-0.5	768	811	-5.3
Mobile communications (3)	203	195	4.2	598	565	5.7
Business solutions (4)	137	139	-1.0	399	414	-3.8
International telephone (3)	57	58	-2.1	174	183	-4.8
National telephone	46	47	-1.1	139	141	-1.4
Fibre rollout and maintenance (5)	39	13	211.9	128	92	38.3
Miscellaneous (3)(6)	51	50	3.2	132	130	1.2
Operating revenue	**1,110**	**1,083**	**2.5**	**3,299**	**3,306**	**-0.2**

Notes:
(1) Include Local Leased Circuits (LLC), International Leased Circuits (ILC), Fixed Broadband and STIX.
(2) Include facility management, managed and network services, and value-added reselling and services.
(3) Include revenue from customers on staff mobile schemes of Enterprise customers.
(4) Include applications management services and outsourcing, system integration and business process outsourcing and communication engineering services.
(5) Include revenue from OpenNet for maintenance of fibre which commenced from April 2013.
(6) Include sale of equipment and other miscellaneous revenue.

Singapore Enterprise revenue was up 2.5% at S$1.10 billion from growth in Mobile Communications and fibre rollout and maintenance revenues.

SECTION 3 : GROUP ENTERPRISE

Data and Internet revenue fell 1.6% to S$315 million due to managed price declines.

Managed Services revenue was stable year-on-year as growth in services and maintenance revenues mitigated lower project equipment sales.

Mobile Communications grew 4.2% with growth in mobile customer base and higher data usage.

Business Solutions revenue was flat year-on-year. This quarter, NCS' major customer wins included a five-year contract to set up infrastructure and maintenance services for a customer in Singapore and a contract to provide system integration and maintenance services to a Hong Kong government agency.

International Telephone revenue declined 2.1% with lower inpayment rates and call revenue. The impact of the decline was mitigated by lower outpayment rates.

Fibre rollout and maintenance revenue in the quarter included a one-off recognition of deferred revenue.

AUSTRALIA ENTERPRISE OPERATING REVENUE

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 A$ m	2012 A$ m	Chge %	2013 A$ m	2012 A$ m	Chge %
ICT and Managed Services	126	100	25.8	370	336	10.1
Data and IP	93	108	-13.7	292	328	-10.9
Voice	90	93	-3.2	278	287	-3.3
Mobile (1)	69	69	1.3	205	204	0.3
Operating revenue (2)	**378**	**369**	**2.4**	**1,144**	**1,155**	**-0.9**

Notes:
(1) Include mobile service revenue and sale of equipment revenue.
(2) Exclude small and medium business segment which is reported under Australia Consumer.

Optus Business revenue increased 2.4% primarily due to strong performance in ICT partly offset by declines in Data and IP and Voice.

ICT and Managed Services revenue was up a strong 26% with growth in maintenance revenue and increase in sales of hardware and software.

Data and IP revenue fell 14% reflecting price competition and decline in legacy data services as customers continued to migrate to IP network solutions.

Voice revenue declined 3.2%, in line with the market, due to the impact of price erosion and declines in switched voice as businesses migrated to lower cost IP-based voice solutions.

SECTION 3 : GROUP ENTERPRISE

Despite the mandated reduction in mobile termination rates from 6 cents to 4.8 cents from 1 January 2013, Mobile revenue grew 1.3% against the same quarter last year.

Optus secured a five-year, A$30 million contract with UGL Limited. Under the whole-of-business agreement, Optus will provide a comprehensive range of fixed and mobile carriage and managed ICT services.

SECTION 4 : GROUP DIGITAL L!FE

GROUP DIGITAL L!FE

MANAGEMENT DISCUSSION AND ANALYSIS

Group Digital L!fe focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering adjacent businesses where it has a competitive advantage.

FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

- **Operating revenue at S$48 million – up 40%.**
- **Negative EBITDA of S$42 million, reflecting start-up costs and investment initiatives.**
- **Negative EBIT of S$56 million, with depreciation and amortisation of intangibles from acquisitions.**

FOR THE NINE MONTHS ENDED 31 DECEMBER 2013

- **Operating revenue at S$119 million – up 44%.**
- **Negative EBITDA of S$114 million.**
- **Negative EBIT of S$151 million.**

SECTION 4 : GROUP DIGITAL L!FE

GROUP DIGITAL L!FE SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Advertising Business						
- Mobile advertising (1)	34	18	86.1	78	41	91.1
- Other advertising (2)	5	6	-23.3	13	16	-19.5
	38	24	**58.8**	91	57	**59.3**
Others (3)	10	10	-4.0	28	26	10.2
Operating revenue	**48**	**34**	**40.3**	**119**	**83**	**44.1**
Operating expenses	(90)	(49)	81.9	(232)	(154)	50.8
	(42)	(15)	175.0	(113)	(71)	58.6
Other income	(1)	*	nm	(2)	*	nm
EBITDA	**(42)**	**(15)**	**177.1**	**(114)**	**(71)**	**61.4**
Depreciation	(6)	(4)	38.1	(14)	(11)	30.3
Amortisation of intangibles	(8)	2	nm	(22)	(19)	19.5
	(13)	(2)	@	(36)	(29)	23.5
EBIT	**(56)**	**(17)**	**222.5**	**(151)**	**(100)**	**50.2**

Notes:
(1) Mainly advertising revenue from Amobee.
(2) Mainly advertising revenues from TV and Internet.
(3) Include revenues from e-commerce, concierge and hyper-local services.

	Quarter 31 Dec		YOY	Nine Months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Selling & administrative	56	20	184.2	134	74	81.4
Staff costs	31	24	27.6	88	65	34.5
Cost of sales	1	4	-85.0	3	10	-68.4
Others	2	1	69.2	7	5	43.5
Operating expenses	**90**	**49**	**81.9**	**232**	**154**	**50.8**

SECTION 4 : GROUP DIGITAL L!FE

GROUP DIGITAL L!FE OPERATING HIGHLIGHTS

For The Third Quarter Ended 31 December 2013

Group Digital L!fe continued to invest and drive growth in the digital space. Operating revenue rose 40% to S$48 million, underpinned by growth in advertising.

The negative EBITDA of S$42 million reflected start-up costs and increased investments in digital businesses. Depreciation and amortisation charges increased S$11 million to S$13 million due mainly to S$10 million write-back of amortisation on Amobee’s intangibles in the same quarter last year. Consequently, negative EBIT amounted to S$56 million.

Amobee continued to turn in a strong performance this quarter with a significant increase of 86% year-on-year in mobile advertising revenue.

Group Digital L!fe was recently recognised for several achievements in the digital space.

AMPed, SingTel’s unlimited music streaming and download service, was selected as ‘The Straits Times Digital Life Editor’s Choice’ for best mobile music service.

The mobile app for HungryGoWhere, one of Singapore’s most popular food, dining and restaurant reservations online resources, was crowned 'Local App of the Year' by readers of Stuff Magazine.

In December 2013, Group Digital L!fe launched a mobile gaming portal ‘WePlay’. This app store allows customers to discover and download from a library of hundreds of popular games. It also uses customer analytics to offer recommendations tailored to the user’s gaming preferences and includes a social gaming aspect to let users connect with like-minded gamers.

For The Nine Months Ended 31 December 2013

Operating revenue for the nine months grew by 44% to S$119 million, contributed mainly by advertising. Negative EBITDA and EBIT were at S$114 million and S$151 million respectively.

SECTION 5: ASSOCIATES / JOINT VENTURES

FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

- **Despite adverse currency movements, associates' pre-tax contributions were up 11% to S$539 million.**

- **Airtel reported improved earnings on strong data momentum and higher margin in India.**

- **If the regional currencies were held constant from a year ago, the pre-tax and post-tax contributions from the associates would have increased 23% and 18% respectively.**

- **The Group's combined mobile customer base[4] was up 3.0% or 14.4 million in the quarter to 501 million. Excluding Warid Pakistan which was disposed in March 2013, the mobile customer base was up 8.9% or 40.9 million from a year ago.**

FOR THE NINE MONTHS ENDED 31 DECEMBER 2013

- **Associates' strong operating performance was impacted by adverse currency movements and fair value losses.**

- **Associates' pre-tax contributions grew 4.4%. With higher taxes recorded by Airtel, the post-tax contributions were stable.**

- **If the regional currencies had remained stable from a year ago, the pre-tax and post-tax contributions from the associates would have increased 12% and 7.0% respectively.**

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

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Pre-tax profit contribution	Equity Int %	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine months 31 Dec 2013 S$ m	Nine months 31 Dec 2012 S$ m	YOY Chge %
Regional mobile associates							
Telkomsel	35.0						
- operating results		215	251	-14.1	743	770	-3.5
- fair value losses		(2)	(1)	112.5	(22)	(8)	172.8
		214	250	-14.5	721	762	-5.4
AIS	23.3						
- operating results		108	104	3.8	323	316	2.2
- fair value (losses)/ gains		(2)	1	nm	(4)	1	nm
		106	105	1.3	320	317	0.8
Bharti Telecom / Bharti Airtel ("**Airtel**") [2]	32.3						
- operating results (India)		186	137	35.5	528	430	22.8
*- operating results ("**International**" - Africa, Bangladesh and Sri Lanka)* [3]		32	30	8.1	79	77	2.7
- net finance costs		(56)	(79)	-29.7	(183)	(226)	-19.2
- fair value losses		(14)	(18)	-22.1	(75)	(8)	@
		148	70	113.1	350	273	28.1
Globe [4]	47.3						
- operating results		41	30	36.8	173	151	14.4
- fair value (losses) / gains		(3)	1	nm	(6)	3	nm
		39	31	26.1	166	153	8.5
Warid Pakistan [5]	-	-	-	-	-	(18)	nm
		506	**455**	**11.4**	**1,557**	**1,487**	**4.7**
Other SingTel associates							
Singapore Post	25.5	13	13	1.6	36	35	3.2
Southern Cross [6]	40.0	-	10	nm	-	30	nm
Others		12	8	46.9	28	13	111.3
SingTel share of ordinary results (pre-tax)		**531**	**486**	**9.3**	**1,621**	**1,566**	**3.5**
Optus share of ordinary results (pre-tax)		*	*	**nm**	*	*	**nm**
Group share of ordinary results (pre-tax)		**531**	**486**	**9.4**	**1,621**	**1,566**	**3.5**
Exceptional item ("EI")							
Airtel - one-off items		-	-	-	7	-	nm
ACPL Marine - gain on sale of asset		8	-	nm	8	-	nm
Group share of EI		**8**	**-**	**nm**	**14**	**-**	**nm**
SingTel share of pre-tax profit [4]		**539**	**486**	**10.9**	**1,635**	**1,566**	**4.4**
Optus share of pre-tax profit		*	*	**nm**	*	*	**nm**
Group share of pre-tax profit [4]		**539**	**486**	**10.9**	**1,635**	**1,566**	**4.4**

Pre-tax ordinary profit contribution (in constant currency) [7]	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	Nine Months 31 Dec 2012 S$ m	YOY Chge %
Regional mobile associates						
- operating results	587	473	24.1	1,781	1,506	18.3
- fair value losses	(22)	(18)	24.6	(113)	(19)	490.1
Group share of regional mobile associates' ordinary results	**564**	**455**	**24.1**	**1,669**	**1,487**	**12.2**

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution	Quarter 31 Dec 2013 S$ m	2013 % [9]	2012 S$ m	2012 % [9]	YOY Chge %	Nine months 31 Dec 2013 S$ m	2013 % [9]	2012 S$ m	2012 % [9]	YOY Chge %
Regional mobile associates										
Telkomsel	161	18	185	21	-12.9	541	20	568	22	-4.8
AIS	81	9	79	9	2.9	249	9	242	9	2.7
Airtel [2][8]										
- ordinary results (India)	129		65		99.2	317		286		10.7
- ordinary results (International) [3]	(72)		(44)		64.1	(176)		(155)		13.5
- exceptional item	-		-		-	(1)		-		nm
	57	6	21	2	173.9	139	5	131	5	6.4
Globe [4]	28	3	21	2	30.8	115	4	107	4	7.4
Warid Pakistan [5]	-	-	-	-	-	-	-	(18)	(1)	nm
	326	**36**	**305**	**35**	**6.9**	**1,045**	**39**	**1,031**	**39**	**1.4**
Other SingTel associates	31	3	28	3	11.2	61	2	69	3	-11.7
SingTel share of post-tax profit [4][8]	**357**	**39**	**333**	**38**	**7.2**	**1,106**	**41**	**1,100**	**42**	**0.6**
Optus share of post-tax profit	**(2)**	**	**(1)**	**	**21.4**	**(3)**	**	**(1)**	**	**100.0**
Group share of post-tax profit [4][8]	**355**	**39**	**331**	**38**	**7.2**	**1,103**	**41**	**1,098**	**42**	**0.4**

Notes:

(1) The accounts of the associates are prepared based on local GAAP. Where applicable, the accounting policies of the associates have been restated for compliance with the Group's accounting policies.

(2) In August 2013, the Group increased its shareholding in Airtel from 30.76% to 32.34%.

(3) With effect from 1 April 2013, Airtel reported the results of Africa, Bangladesh and Sri Lanka as part of its "International" segment. Comparatives have been restated accordingly.

(4) Share of results for the third quarter and nine months ended 31 December 2013, and 31 December 2012, excluded the Group's share of Globe's accelerated depreciation arising from its network modernisation and IT transformation which has been classified as an exceptional item of the Group.

(5) Warid Pakistan was disposed in March 2013.

(6) With effect from 1 April 2013, equity accounting of Southern Cross is suspended and dividend income from Southern Cross is recognised in the income statement when the right to receive payment is established.

(7) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 December 2012.

(8) Share of results for the current quarter excluded the Group's share of Airtel's exceptional tax expense which has been classified as an exceptional item of the Group.

(9) Shows the post-tax profit contribution of the associates to the Group's underlying net profit.

*"**" denotes less than +/-0.05%.*

	Quarter 31 Dec 2013 S$ m	2012 S$ m	YOY Chge %	Nine Months 31 Dec 2013 S$ m	2012 S$ m	YOY Chge %
SingTel share of associates' ordinary tax	(182)	(153)	18.9	(529)	(466)	13.6
Optus share of associates' tax	(2)	(1)	28.6	(3)	(1)	107.1
Group share of associates' tax (a)	**(184)**	**(154)**	**19.0**	**(532)**	**(467)**	**13.9**
Group share of pre-tax results (b)	**539**	**486**	**10.9**	**1,635**	**1,566**	**4.4**
Effective tax rate (a)/(b)	***34.1%***	***31.8%***		***32.5%***	***29.8%***	

SECTION 5 : ASSOCIATES/ JOINT VENTURES

The Group's share of associates' pre-tax profits grew strongly by 11% despite the steep depreciation of the Indonesian Rupiah and Indian Rupee by 18% and 12% respectively from a year ago. If the regional currencies were held constant, the pre-tax and post-tax contributions from the associates would have increased by 23% and 18% respectively, mainly contributed by Airtel's improved earnings.

Telkomsel and AIS recorded robust data growth and higher EBITDA which was partly offset by increased depreciation charges from network rollout. Globe registered service revenue growth and EBITDA increase with continued momentum in broadband and leading in postpaid mobile share. Airtel reported robust improvement in operating performance underpinned by strong operating momentum in India. In Indian Rupee terms, Airtel's consolidated revenue grew 13% and EBITDA increased 23%.

On a post-tax basis, the associates in total contributed 39% to the Group's underlying net profit, compared to 38% a year ago.

For the nine months ended 31 December 2013, the Group's share of associates' pre-tax profits grew 4.4% while share of post-tax profits was stable on higher taxes recorded by Airtel. If the regional currencies had remained stable from a year ago, the pre-tax and post-tax contributions from the associates would have increased 12% and 7.0% respectively.

PT Telekomunikasi Selular ("Telkomsel")

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with over 69,800 radio base stations (including 3G Node B) providing nationwide coverage. Telkomsel continued to expand its network, adding approximately 4,200 radio base stations in the quarter.

Operating revenue grew 9% year-on-year with growth across voice and data fuelled by customer growth and promotional activities. EBITDA increased 7% despite higher operation and maintenance costs from increased network deployment. With higher depreciation charges due partly to adjustments for changes in useful life of the tower assets recognised in the corresponding quarter, the Group's share of Telkomsel's pre-tax operating profit (before fair value adjustments) rose 1% in Indonesian Rupiah terms.

After including the Group's share of fair value losses of S$2 million (Q3 FY2013: S$1 million) and with the significant 18% depreciation of the Indonesian Rupiah against the Singapore Dollar, the Group's overall share of Telkomsel's pre-tax profit declined 15%.

On a post-tax basis, Telkomsel's contribution for the quarter declined 13% to S$161 million and comprised 18% (Q3 FY2013: 21%) of the Group's underlying net profit.

Compared to the preceding quarter, revenue was up 3% in Indonesian Rupiah terms. Operating expenses increased 22% on higher network costs. As a result, EBITDA declined 9%.

Telkomsel gained 3.6 million mobile customers in the quarter, compared to 2.8 million in the preceding quarter. The total mobile customer base grew 5.1% or 6.4 million from a year ago to 132 million. The momentum for data adoption continued with an increase of 5.2 million data customers in the quarter to 61 million at end of December 2013.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Advanced Info Service ("AIS")

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

Service revenue (excluding interconnect revenue) was stable. Growth from non-voice revenue was offset by lower prepaid voice usage due to weak consumer sentiment and the new regulation by National Broadcast and Telecommunication Commission (NBTC) to extend prepaid validity. Non-voice revenue, however, registered stellar growth of 19% stimulated by higher mobile data usage from 3G 2.1GHz services launched in May 2013 and increased smartphone penetration. Despite higher costs related to the 3G expansion, operating expenses (excluding interconnect costs) declined 7% due to lower regulatory fees from the higher proportion of 3G service revenue. Consequently, EBITDA grew 6%. AIS' pre-tax profit rose 2.6% in Thai Baht terms after accounting for fair value losses and higher depreciation and amortisation charges for the 3G rollout. In Singapore Dollar terms, the Group's share of AIS' pre-tax profit was up 1.3% to S$106 million.

Post-tax contribution rose 2.9% to S$81 million and comprised 9% (Q3 FY2013: 9%) of the Group's underlying net profit.

Against the preceding quarter, amid the tense political situation and economic slowdown in Thailand, AIS' service revenue was flat while EBITDA grew 6% on lower regulatory fees.

AIS added 1.7 million mobile customers this quarter, compared to 1.5 million in the preceding quarter. The total customer base grew 14% or 5.1 million from a year ago to 40.9 million. Following the commercial launch in May 2013, AIS had 16.4 million 3G customers as at 31 December 2013.

Bharti Telecom Group ("Airtel")

Airtel is listed on the National Stock Exchange and the Stock Exchange, Mumbai and is a leading integrated telecommunications company with operations in 20 countries across Asia and Africa, offering telecom services under wireless and fixed line technology, national and international long distance connectivity, digital TV and IPTV service and complete integrated telecom solutions to its enterprise customers. Airtel also owns tower infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

India

Airtel continued its strong operating momentum in India this quarter. Operating revenue was up 10% fuelled by higher ARPU from improved voice rates as well as increased data adoption and usage. EBITDA grew strongly by 25% and margin increased on operating leverage and reduced churn from its customer acquisition and retention strategy. The Group's share of pre-tax operating profit (before finance costs and fair value adjustments) rose a robust 52% in Indian Rupee terms. However, with the significant 12% depreciation of the Indian Rupee against the Singapore Dollar, Airtel India's pre-tax operating profit contribution rose by a lower 36% to S$186 million.

Compared to the preceding quarter, both revenue and EBITDA grew 3% and 6% respectively with sustained growth momentum.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Airtel added 5.1 million mobile customers in India this quarter, doubled from 2.5 million added in the preceding quarter. Reflecting the improved quality of customer acquisitions, the average monthly churn was at 2.7%, an improvement from 3.2% a quarter ago.

As at 31 December 2013, Airtel's mobile customer base in India stood at 199 million.

Africa, Bangladesh and Sri Lanka ("International")

In US Dollar terms, Airtel International revenues grew 4% while EBITDA increased 2%.

In Africa, Airtel offers mobile services in 17 countries. As at end of December 2013, Airtel has launched 3G mobile services across 14 African countries and 'Airtel Money' service in all the 17 African countries. In the quarter, Airtel launched several campaigns for the promotion and awareness of 'Airtel Money'.

In US Dollar terms, Africa's operating revenue grew 3% with strong growth from data and 'Airtel Money' services across all its markets. EBITDA was stable with lower margin impacted by investments in network and increases in selling and distribution expenses. Africa generated positive cash flows of US$160 million for the quarter.

During the quarter, Airtel successfully launched 3G services in the top 3 cities of Bangladesh and launched innovative and competitive 3G combo packs and device bundling to drive 3G adoptions.

'South Asia' comprised operations in Sri Lanka and Bangladesh. Political uncertainty in Bangladesh has affected the country's economy and the telecom sector in the quarter. Nonetheless, overall operating revenue in South Asia grew strongly at 27% with continued positive EBITDA while EBIT losses reduced compared to the same quarter last year.

The Group's share of Airtel International's pre-tax operating profit (before finance costs and fair value adjustments) amounted to S$32 million in the quarter, up from S$30 million in the same quarter last year.

Compared to the preceding quarter, Airtel International's revenue grew 4% in US Dollar terms on sustained voice and data growth in Africa while EBITDA was stable.

Africa's mobile customer base grew 1.9 million in the quarter, compared to 2.2 million in the preceding quarter. As at 31 December 2013, the total customer base stood at 68.3 million, an increase of 11% or 6.6 million from a year ago. Including 8.4 million mobile customers from South Asia, Airtel International's mobile customer base reached 76.7 million as at end December 2013.

Overall

The Group's share of Airtel's overall pre-tax profit increased 139% in Indian Rupee terms. In Singapore Dollar terms, with the 12% depreciation of the Indian Rupee against the Singapore Dollar, the Group's share of overall pre-tax profit from Airtel grew 113% to S$148 million after including the share of net finance costs of S$56 million (Q3 FY2013: S$79 million) and fair value losses of S$14 million (Q3 FY2013: S$18 million). The lower net finance costs was due to unrealised investment gains from mark to market of short term investments.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

With increased tax expense in Africa due to higher withholding taxes on dividends received from its subsidiaries and various tax assessments, the Group's share of Airtel's post-tax profit rose 174% to S$57 million. This contribution excluded Airtel's provision for certain tax settlements in this quarter. The Group's share of this exceptional tax expense of S$17 million has been classified as an exceptional item of the Group.

Including mobile customers across operations in 20 countries covering India, Bangladesh, Sri Lanka and across Africa, Airtel's total mobile customer base across all geographies grew 9.6% or 24.1 million from a year ago to 275 million as at 31 December 2013.

Airtel successfully placed EUR 750 million and EUR 250 million of bonds in December 2013 and January 2014 respectively.

Globe Telecom, Inc ("Globe")

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

Globe's service revenue grew 9% driven by a higher mobile customer base and strong take-up of data services. Broadband revenue was up a robust 12% fuelled by continued expansion in customer base. Operating expenses increased 11% on higher subsidy, staff costs and service expenses to drive customer acquisitions and transformation initiatives. Consequently, Globe's EBITDA grew 5%. With lower depreciation charges due to fully depreciated assets, Globe's pre-tax operating profit (before exceptional items and fair value adjustments) rose 42% from a year ago in Philippine Peso terms.

With the 3% depreciation of the Philippine Peso against the Singapore Dollar, Globe's ordinary pre-tax profit contribution increased 26% year-on-year to S$39 million. This contribution excluded Globe's accelerated depreciation charges related to its network modernisation and IT transformation programs. The Group's share of this exceptional charge of S$12 million (S$8 million post-tax) has been classified as an exceptional item of the Group.

On a post-tax basis, Globe contributed S$28 million or 3% (Q3 FY2013: 2%) to the Group's underlying net profit.

Against the preceding quarter, Globe's service revenue grew 2% while EBITDA declined 12% on higher staff costs and increased marketing and service expenses.

Globe added 2.0 million mobile customers in the quarter, compared to 425,000 in the preceding quarter. As at 31 December 2013, its mobile customer base expanded to 38.5 million, up 16% or 5.4 million from a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

PROFORMA INFORMATION

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

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

Proportionate operating revenue	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine months 31 Dec 2013 S$ m	Nine months 31 Dec 2012 S$ m	YOY Chge %
Group operating revenue						
SingTel	1,760	1,697	3.7	5,136	5,044	1.8
Optus	2,503	2,899	-13.7	7,584	8,658	-12.4
	4,263	**4,597**	**-7.3**	**12,720**	**13,702**	**-7.2**
Proportionate share of operating revenue of associates						
Regional mobile associates	2,690	2,737	-1.7	8,159	8,120	0.5
Singapore associates	109	82	33.0	291	234	24.3
Other overseas associates	17	32	-45.6	52	93	-44.6
	2,816	**2,851**	**-1.2**	**8,502**	**8,447**	**0.6**
Enlarged revenue	**7,080**	**7,448**	**-4.9**	**21,221**	**22,149**	**-4.2**
% of overseas revenue to enlarged revenue	***74%***	***76%***		***74%***	***76%***	

In the quarter, overseas revenue contributed 74% to the Group's enlarged revenue against 76% a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA	Quarter 31 Dec 2013 S$ m	Quarter 31 Dec 2012 S$ m	YOY Chge %	Nine months 31 Dec 2013 S$ m	Nine months 31 Dec 2012 S$ m	YOY Chge %
Group EBITDA						
SingTel	536	531	1.1	1,674	1,618	3.4
Optus	728	732	-0.5	2,185	2,154	1.4
	1,264	**1,262**	**0.1**	**3,858**	**3,771**	**2.3**
Proportionate share of associates' EBITDA (1)						
Regional mobile associates	1,049	1,037	1.1	3,279	3,190	2.8
Singapore associates	38	31	22.1	97	83	16.9
Other overseas associates	14	27	-47.4	41	74	-44.1
	1,101	**1,095**	**0.6**	**3,417**	**3,347**	**2.1**
Total proportionate EBITDA	**2,365**	**2,357**	**0.3**	**7,275**	**7,118**	**2.2**
Overseas proportionate EBITDA as a % to total proportionate EBITDA	***76%***	***76%***		***76%***	***76%***	
Contributions to total proportionate EBITDA						
Regional mobile associates	44%	44%		45%	45%	
Australia	31%	31%		30%	30%	
Singapore	24%	24%		24%	24%	
Others	1%	1%		1%	1%	
	100%	**100%**		**100%**	**100%**	

Note:

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

Through its investments in key market overseas, the Group has diversified its earnings base. Overseas operations contributed 76% to proportionate EBITDA, stable against a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Number of mobile customers (000s)	Total Number			Proportionate Share [1]		
	31 Dec 2013	30 Sep 2013	31 Dec 2012	31 Dec 2013	30 Sep 2013	31 Dec 2012
SingTel	3,960	3,931	3,755	3,960	3,931	3,755
Optus	9,431	9,495	9,565	9,431	9,495	9,565
	13,391	**13,426**	**13,320**	**13,391**	**13,426**	**13,320**
Regional Mobile Associates						
Airtel						
- India	198,513	193,457	181,922	64,199	62,564	58,797
- International	76,733	74,720	69,181	24,816	24,164	22,359
	275,246	268,177	251,103	89,015	86,728	81,156
Telkomsel	131,513	127,904	125,147	46,029	44,766	43,801
AIS	40,861	39,125	35,744	9,529	9,124	8,336
Globe	38,475	36,517	33,119	18,179	17,258	15,672
	486,095	471,723	445,113	162,752	157,876	148,965
Warid Pakistan	-	-	12,731	-	-	3,819
PBTL	1,365	1,330	1,536	614	599	691
	487,460	**473,053**	**459,380**	**163,366**	**158,475**	**153,475**
Group	**500,851**	**486,479**	**472,700**	**176,757**	**171,901**	**166,795**
Excluding Warid Pakistan	***500,851***	***486,479***	***459,969***	***176,757***	***171,901***	***162,976***

Note:

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

The Group's combined mobile customer base was 501 million as at 31 December 2013, up 3.0% or 14.4 million from a quarter ago, and 6.0% or 28.2 million from a year ago. On a proportionate share basis, the increase was 2.8% to 177 million from a quarter ago. Excluding Warid Pakistan which was disposed in March 2013, the Group's mobile customer base was up 8.9% or 40.9 million from a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

CASH DIVIDENDS RECEIVED FROM ASSOCIATES / JOINT VENTURES [1]

	Quarter 31 Dec		YOY	Nine months 31 Dec		YOY
	2013 S$ m	2012 S$ m	Chge %	2013 S$ m	2012 S$ m	Chge %
Regional mobile associates						
Telkomsel [2]						
- final dividend FY 2012 / FY 2011	-	-	-	589	485	21.6
AIS [3]						
- interim dividend FY 2013 / FY 2012	-	-	-	181	163	11.2
- final dividend FY 2012 / FY 2011	-	-	-	144	118	22.0
	-	-	-	325	281	15.8
Globe [4]						
- second dividend FY 2012 / FY 2011	-	-	-	61	60	1.3
Airtel [5]						
- final dividend FY 2013 / FY 2012	-	-	-	12	13	-12.7
	-	**-**	**-**	**987**	**839**	**17.6**
Other associates						
Southern Cross/ PCHL [6]	36	6	@	47	29	66.0
SingPost	6	6	**	25	25	**
Others	9	3	237.0	12	11	15.0
Total	**51**	**15**	**247.3**	**1,072**	**903**	**18.6**

Notes:
(1) The cash dividends received from overseas associates as stated here are before related tax payments.
(2) Telkomsel declared a full year dividend of 85% on net profit for its 2012 financial year (FY 2011: 80%).
(3) AIS dividend policy is to pay dividends of at least 100% of net profit. Dividends will be paid twice a year, with an interim dividend distributed from the first half operating results and final dividend distributed from the second half operating results. The Group received its share of the interim dividend in respect of AIS' 2013 financial year in September 2013.
(4) Globe's dividend policy is to pay ordinary dividends of 75% to 90% of prior year's core net income, payable semi-annually in March and September of each year. Globe declared a full year dividend of 86% of core net income for its 2013 financial year (FY 2012: 86%). Globe will pay its first semi-annual dividend of Peso 37.5 per common share in March 2014. The Group's share of this dividend is approximately Peso 2.35 billion (S$66 million). Effective from the second half of its 2014 financial year, Globe will pay dividends on a quarterly basis.
(5) Airtel does not have a fixed dividend policy.
(6) Southern Cross Cables Holdings Limited and Pacific Carriage Holdings Limited (PCHL), part of the Southern Cross consortium, do not have fixed dividend policies.

The total dividends received from the associates for the quarter amounted to S$51 million compared to S$15 million in the same quarter last year, due to S$36 million of dividends received from PCHL, which is part of the Southern Cross consortium.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

KEY OPERATIONAL DATA

	Airtel [1]	Telkomsel	AIS	Globe	PBTL
SingTel's investment:					
Year of initial investment	**2000**	**2001**	**1999**	**1993**	**2005**
Effective shareholding (%)	32.3%	35.0%	23.3%	47.3%	45.0%
Investment to date	S$2.69 bil	S$1.93 bil	S$1.20 bil	S$1.02 bil	S$238 mil
Closing market share price [2]	INR 330.5	NA	THB 199.5 [7]	PHP 1,640	NA
Market capitalisation					
- Total	S$26.68 bil	NA	S$23.35 bil	S$6.25 bil	NA
- SingTel holding	S$8.63 bil	NA	S$5.45 bil	S$2.95 bil	NA
Operational Performance :					
Mobile penetration rate [3]	71%	121%	139%	110%	68%
Market share, 31 Dec 2013 [3]	22.3%	43.7%	44.0%	33.5%	1.2%
Market share, 30 Sep 2013 [4]	22.2%	43.6%	44.0%	33.5%	1.2%
Market position [3] [5]	#1	#1	#1	#2	#6
Mobile customers ('000)					
- Aggregate	275,246	131,513	40,861	38,475	1,365
- Proportionate	89,015	46,029	9,529	18,179	614
Growth in mobile customers (%) [6]	9.6%	5.1%	14%	16%	-11%
Credit ratings					
- Sovereign (Moody's/ S&P's)	Baa3/BBB-	Baa3/BB+	Baa1/BBB+	Baa3/BBB-	Ba3/BB-
- Company (Moody's/ S&P's)	Baa3/BB+	Baa1/BBB-	NA/A-	NA	NA

Notes:

(1) Mobile penetration rate, market share and market position pertain to India market only.
(2) Based on closing market price on 31 December 2013, in local currency.
(3) Based on actual or estimated data available as at 31 December 2013. Market share for AIS and Globe were based on 30 September 2013, which were the latest available data.
(4) Based on actual data.
(5) Based on number of mobile customers.
(6) Compared against 31 December 2012 and based on aggregate mobile customers.
(7) Based on local market price quoted on the Stock Exchange of Thailand.

NA Denotes not applicable.

Please refer to **Appendix 5** for the currency rate movements of the major associates.

SECTION 6 : PRODUCT INFORMATION

SINGAPORE MOBILE

	Quarter			Nine Months		YOY
	31 Dec 2013	30 Sep 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	Chge %
Mobile Communications revenue (S$'M) [1]	**525**	**516**	**499**	**1,547**	**1,455**	**6.4**
Number of mobile subscribers (000s)						
Prepaid	1,772	1,766	1,689	1,772	1,689	4.9
Postpaid	2,188	2,165	2,066	2,188	2,066	5.9
Total	**3,960**	**3,931**	**3,755**	**3,960**	**3,755**	**5.5**
4G mobile subscribers (000s)	**899**	**694**	**250**	**899**	**250**	**259.6**
Mobile broadband subscribers (000s) [2]	**1,766**	**1,706**	**1,492**	**1,766**	**1,492**	**18.4**
MOUs per subscriber per month [3]						
Prepaid	328	333	332	332	337	-1.5
Postpaid [4]	285	299	302	294	313	-6.1
Average revenue per subscriber per month [3] [5] **(S$ per month)**						
Prepaid	16	16	15	16	15	6.7
Postpaid	78	79	81	79	80	-2.2
Blended	**50**	**50**	**51**	**51**	**51**	**-0.4**
Data services as % of ARPU						
- total data [6]	43%	42%	42%	42%	42%	
- non-SMS data	30%	27%	23%	27%	21%	
Tiered data plans						
- postpaid base on tiered data plans [7]	44%	37%	17%	44%	17%	
- tiered data plan customers exceeding data bundles	14%	13%	9%	14%	9%	
Acquisition cost per postpaid subscriber (S$)	**282**	**204**	**322**	**252**	**306**	-17.6
Postpaid external churn per month [8]	*0.9%*	*0.8%*	*0.9%*	*0.9%*	*0.9%*	
Singapore mobile penetration rate [9]	***155%***	***155%***	***152%***	***155%***	***152%***	
Singapore mobile subscribers ('000s) [9]	***8,420***	***8,343***	***8,063***	***8,420***	***8,063***	
Market share [9]						
Prepaid	*45.5%*	*45.3%*	*44.5%*	*45.5%*	*44.5%*	
Postpaid	*48.3%*	*48.8%*	*48.4%*	*48.3%*	*48.4%*	
Overall	***47.0%***	***47.1%***	***46.6%***	***47.0%***	***46.6%***	

Notes:

(1) This comprises cellular service revenue in Singapore only and is determined net of bill rebates and net of prepaid sales discount, and includes revenue earned from mio plans and mobile broadband. It excludes revenue earned from international calls classified under "International Telephone" revenue.

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

(3) Based on average subscribers, calculated as the simple average of opening and closing subscribers.

(4) MOU of postpaid base excludes customers that have 'data only' SIM plans.

(5) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.

(6) Includes revenue from SMS, *SEND, MMS and other data services.

(7) If excluding data-only SIMs, 53% of postpaid customers are on tiered plans. Of these customers, 14% have exceeded their data bundles.

SECTION 6 : PRODUCT INFORMATION

(8) Calculated by expressing the number of postpaid subscribers who deactivate or disconnect their service (both voluntary and the Company's initiated churn) as a percentage of the average subscribers.
(9) Source: IDA. The market share data as at 31 December 2013 was based on Telco operators' published results. The other market statistics were based on IDA's latest available published statistics as of 30 November 2013.

AUSTRALIA MOBILE

	Quarter			Nine Months		YOY
	31 Dec 2013	30 Sep 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	Chge %
Optus' mobile revenue (A$'M) [1]	**1,403**	**1,343**	**1,501**	**4,089**	**4,362**	**-6.3**
Number of mobile subscribers (000s)						
Prepaid	3,994	4,001	4,091	3,994	4,091	-2.4
Postpaid [2]	5,437	5,494	5,475	5,437	5,475	-0.7
Total	**9,431**	**9,495**	**9,565**	**9,431**	**9,565**	**-1.4**
4G mobile subscribers (000s) [3]	**1,806**	**1,377**	**-**	**1,806**	**-**	nm
Mobile penetration rate [4]	***ND***	***ND***	***134%***	***ND***	***134%***	
MOUs per subscriber per month [5]						
Prepaid	124	121	118	121	109	10.8
Postpaid	220	220	230	219	230	-4.6
ARPU per month (A$) [6]						
Prepaid	24	24	22	23	22	5.5
Postpaid	54	54	58	54	59	-8.8
Blended	**41**	**41**	**43**	**41**	**43**	**-4.4**
Data revenue as a % of service revenue						
- total data	63%	62%	51%	62%	50%	
- non-SMS data	38%	36%	26%	37%	25%	
Market share - total [4]	***ND***	***ND***	***31.0%***	***ND***	***31.0%***	
Retail postpaid churn rate per month [7]	***1.4%***	***1.3%***	***1.8%***	***1.4%***	***1.6%***	
Acquisition cost per subscriber (A$)						
Prepaid	5	25	18	14	21	-33.5
Postpaid	237	224	301	229	316	-27.5
Blended	**115**	**115**	**166**	**117**	**169**	**-30.5**

Notes:
(1) This comprises mobile service revenue (both outgoing and incoming) and sales of equipment in Australia, covering Australia Consumer as well as Australia Enterprise.
(2) Includes bundled telephony and broadband products delivered over the 3G and 4G network.
(3) Defined as 4G handsets on the Optus network.
(4) Penetration and subscriber market share are estimated by Optus based on published data.
(5) Based on average customers, calculated as the simple average of opening and closing customers. MOU includes outgoing minutes only. This calculation is based on customers with voice plan only – i.e. it excludes customers with only wireless broadband.
(6) Based on average customers, calculated as the simple average of opening and closing customers. Excludes equipment revenue.
(7) Churn calculation includes subscriber churn from Optus, Virgin Mobile and other Optus subsidiaries' subscribers but excludes customers transferring from postpaid to prepaid.

SECTION 6 : PRODUCT INFORMATION

SINGAPORE CONSUMER HOME

	Quarter			Nine Months		YOY
	31 Dec 2013	30 Sep 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	Chge %
Singapore Consumer home revenue (S$'M) [1]	123	121	118	364	343	5.9
Average revenue per household per month [2] (S$ per month)	56	54	52	55	50	9.2
Number of customers on bundled plans (000s) [3]	364	359	338	364	338	7.7

Notes:

(1) This comprises fixed broadband, fixed voice and mio TV in the residential segment only and does not include mobile.

(2) Based on average number of households, calculated as the simple average of opening and closing number of households.

(3) Total residential customers who subscribe to bundled plans which comprise mio Plan (bundling of mobile, fixed broadband and fixed voice), mio Home and Fibre Entertainment Bundle (bundling of fixed broadband, fixed voice and mio TV).

	Quarter			Nine Months		YOY
	31 Dec 2013	30 Sep 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012	Chge %
mio TV revenue (S$'M)	46	41	33	125	89	40.3
Average revenue per customer per month (S$ per month)	32	29	22	29	21	39.6
Number of residential TV customers (000s)	418	414	398	418	398	5.0

SECTION 6 : PRODUCT INFORMATION

OTHER PRODUCTS

Singapore	Quarter 31 Dec 2013	Quarter 30 Sep 2013	Quarter 31 Dec 2012	Nine Months 31 Dec 2013	Nine Months 31 Dec 2012	YOY Chge %
Internet						
Number of fixed broadband lines (000s) (1)	567	564	553	567	553	2.5
Singapore fixed broadband penetration rate (2)	*106%*	*105%*	*105%*	*106%*	*105%*	
Fixed broadband market share (3) (4)	*43.4%*	*43.8%*	*43.4%*	*43.4%*	*43.4%*	
Number of fibre broadband lines (000s)	291	258	167	291	167	74.3
Fibre broadband market share (4)	*58%*	*58%*	*59%*	*58%*	*59%*	
International Telephone						
International telephone outgoing minutes (m mins) (excl Malaysia)	854	886	826	2,614	2,475	5.6
Average collection rate - net basis (S$/ min) (excl Malaysia)	0.097	0.096	0.103	0.097	0.105	-7.6
National Telephone						
Fixed working lines (000s) (5)						
Residential	878	887	905	878	905	-3.0
Business	756	763	768	756	768	-1.6
Total	1,634	1,650	1,673	1,634	1,673	-2.3
Singapore fixed line penetration rate (6)	*36.6%*	*36.6%*	*37.4%*	*36.6%*	*37.4%*	
Singapore fixed working lines ('000s) (6)	1,978	1,978	1,988	1,978	1,988	
Fixed line market share (6)	*82.6%*	*83.4%*	*84.1%*	*82.6%*	*84.1%*	

Notes:
(1) Include ADSL and fibre lines.
(2) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IDA). The market penetration rate as at 31 December 2013 was based on IDA's latest available published statistics as of 30 November 2013.
(3) Based on total SingTel ADSL and fibre lines divided by total ADSL, cable and fibre lines in the population.
(4) The market share data as at 31 December 2013 was based on management's estimates.
(5) Fixed working lines refer to Direct Exchange Lines (DEL) and mio voice. Some lines are for connections of second set top box under mio bundles.
(6) The market share data as at 31 December 2013 was based on management's estimates. The other market statistics as at 31 December 2013 were based on IDA's latest available published statistics as of 30 September 2013.

SECTION 6 : PRODUCT INFORMATION

Australia	Quarter 31 Dec 2013	Quarter 30 Sep 2013	Quarter 31 Dec 2012	Nine Months 31 Dec 2013	Nine Months 31 Dec 2012	YOY Chge %
Enterprise Fixed						
Business voice minutes (m min)	1,219	1,287	1,250	3,770	3,815	-1.2
Buildings connected at the end of the period [1]	18,117	18,083	18,003	18,117	18,003	0.6
Wholesale Fixed						
Wholesale domestic voice minutes (m min)	1,073	1,084	983	3,215	3,051	5.4
Mass Market Fixed						
On-net ARPU (A$) [2]						
Voice	49	49	52	50	51	-0.6
Broadband	44	44	44	44	45	-2.0
Telephony customers ('000)						
HFC [3]	472	476	491	472	491	-3.9
ULL [4]	496	503	519	496	519	-4.5
On-net	**967**	**979**	**1,009**	**967**	**1,009**	**-4.2**
Resale	25	26	32	25	32	-22.1
Long distance only	5	6	6	5	6	-15.6
Off-net	**30**	**32**	**38**	**30**	**38**	**-21.1**
HFC bundling rate [5]	*92%*	*92%*	*91%*	*92%*	*91%*	
HFC penetration	***34%***	***34%***	***35%***	***34%***	***35%***	
Internet customers (000s)						
On-net						
HFC broadband	421	424	432	421	432	-2.7
ULL broadband [4]	524	526	529	524	529	-0.9
Business grade broadband	29	29	31	29	31	-6.5
	974	979	993	974	993	-1.9
Off-net						
Broadband	11	12	16	11	16	-31.7
Broadband subtotal	**985**	**992**	**1,009**	**985**	**1,009**	**-2.3**
Dial-up	10	11	13	10	13	-21.6
Total Internet customers	**996**	**1,003**	**1,022**	**996**	**1,022**	**-2.6**

Notes:

(1) Directly connected buildings include all connections via all access media - fibre, DSL, fixed wireless, satellite and leases.
(2) Per month, based on average HFC and ULL customers.
(3) Includes all customers who take local telephony over the HFC network, and customers who take one or more of pay TV or cable internet services over the HFC network.
(4) Include wholesale ULL subscribers.
(5) Based on customers who are receiving a "bundled benefit" from taking a package of products (local telephony plus at least one of broadband, dial-up internet or pay TV).

SECTION 7 : GLOSSARY

"ACCC"	Australian Competition And Consumer Commission.
"ADSL"	Asymmetric digital subscriber line.
"ARPU"	Average revenue per user.
"Associate"	Refers to an associate and/or a joint venture company under Singapore Financial Reporting Standard.
"DEL"	Direct exchange lines, which are telephone lines connected directly to a telephone switch.
"Digital business"	Refers to all businesses under Group Digital L!fe segment.
"EI"	Exceptional items, which refer to items of income or expense within profit or loss from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the financial period.
"EBIT"	Earnings before interest and tax.
"EBITDA"	Earnings before interest, tax, depreciation and amortisation, namely the aggregate of operating revenue and other income less operating expenses of the Singapore and Australia operations, and excludes the share of pre-tax results of associates.
"EBITDA margin"	Ratio of EBITDA over operating revenue.
"EPS"	Earnings per share.
"FRS"	Financial Reporting Standard.
"Free Cash Flow"	Free cash flow refers to cash flow from operating activities less cash capital expenditure.
"ICT"	Infocomm Technology.
"IP VPN"	Internet Protocol Virtual Private Network.
"MMS"	Multimedia messaging service.
"MOU"	Minutes of use per subscriber.
"NA"	Not applicable.
"ND"	Not disclosed.
"NetLink Trust"	NetLink Trust, a business trust established as part of IDA's effective open access requirements under Singapore's Next Generation Nationwide Broadband Network, is currently 100% owned by SingTel. NetLink Trust is equity accounted as an associate in the Group as SingTel does not control it.
"NM"	Not meaningful.
"OpenNet"	OpenNet Pte Ltd, the Netco for Singapore's Next Generation Nationwide Broadband Network, which SingTel previously held a 30% equity interest and subsequently disposed to NetLink Trust in November 2013.
"Optus"	SingTel Optus Pty Limited, SingTel's wholly-owned subsidiary, and its subsidiaries.
"SAI"	SingTel Australia Investment Ltd, SingTel's wholly-owned subsidiary, which has 100% equity interest in Singapore Telecom Australia Investments Pty Limited ("**STAI**").
"STAI"	Singapore Telecom Australia Investments Pty Limited, which has 100% equity interest in Optus.
"SMS"	Short message service.
"Singapore"	The term refers to the Group's operations but excludes Optus and the associates. Therefore, this includes the overseas operations of SingTel including Amobee, Inc.
"Underlying net profit"	Defined as net profit before exceptional items and exchange differences on capital reductions of certain overseas subsidiaries, net of hedging, as well as significant exceptional items of associates.

GROUP SUMMARY INCOME STATEMENTS
For The Third Quarter Ended 31 December 2013

	Quarter 31 Dec 2013			2013		2013	2012	
	Singapore S$ m	Asso/JV S$ m	Corp S$ m	SingTel S$ m	Optus S$ m	Group S$ m	Group S$ m	YOY Chge %
Operating revenue	**1,760**	**-**	**-**	**1,760**	**2,503**	**4,263**	**4,597**	**-7.3**
Operating expenses	(1,231)	-	-	(1,231)	(1,792)	(3,023)	(3,361)	-10.1
	529	-	-	529	711	1,241	1,236	0.4
Other income	7	-	-	7	16	23	27	-12.7
EBITDA	**536**	**-**	**-**	**536**	**728**	**1,264**	**1,262**	**0.1**
- EBITDA margin	***30.5%***	***-***	***-***	***30.5%***	***29.1%***	***29.6%***	***27.5%***	
Share of associates' pre-tax profits								
Regional mobile associates	*-*	*506*	*-*	*506*	*-*	*506*	*455*	*11.4*
Other associates	*-*	*25*	*-*	*25*	***	*25*	*31*	*-20.1*
- ordinary operations	-	531	-	531	*	531	486	9.4
- exceptional items	-	8	-	8	-	8	-	nm
	-	**539**	**-**	**539**	*****	**539**	**486**	**10.9**
EBITDA and share of associates' pre-tax profits	**536**	**539**	**-**	**1,075**	**728**	**1,803**	**1,748**	**3.1**
Depreciation & amortisation	(178)	-	-	(178)	(355)	(533)	(524)	1.8
EBIT	**358**	**539**	**-**	**897**	**373**	**1,270**	**1,224**	**3.7**
Net finance expense (net)								
- net interest expense	(27)	-	-	(27)	(37)	(64)	(73)	-12.9
- other finance income/(expense)	3	-	-	3	27	30	(5)	nm
	(24)	-	-	(24)	(10)	(34)	(78)	-56.8
Profit before EI and tax	**335**	**539**	**-**	**873**	**363**	**1,236**	**1,147**	**7.8**
Taxation								
- current and deferred taxes	(43)	-	-	(43)	(100)	(142)	(118)	20.5
- share of taxes of associates	-	(182)	-	(182)	(2)	(184)	(154)	19.0
	(43)	(182)	-	(224)	(101)	(326)	(272)	19.7
Profit after tax	**292**	**357**	**-**	**649**	**262**	**911**	**875**	**4.1**
Minority interests	(1)	-	-	(1)	-	(1)	*	nm
Underlying net profit	**291**	**357**	**-**	**648**	**262**	**910**	**874**	**4.0**
Exceptional items ("EI") (post-tax)	(13)	(25)	1	(37)	-	(37)	(47)	-21.4
Net profit	**278**	**332**	**1**	**611**	**262**	**872**	**827**	**5.5**

GROUP SUMMARY INCOME STATEMENTS
For The Nine Months Ended 31 December 2013

	Nine Months 31 Dec 2013 Singapore S$ m	2013 Asso/JV S$ m	2013 Corp S$ m	2013 SingTel S$ m	2013 Optus S$ m	2013 Group S$ m	2012 Group S$ m	YOY Chge %
Operating revenue	**5,136**	**-**	**-**	**5,136**	**7,584**	**12,720**	**13,702**	**-7.2**
Operating expenses	(3,492)	-	-	(3,492)	(5,449)	(8,941)	(10,008)	-10.7
	1,643	-	-	1,643	2,136	3,779	3,693	2.3
Other income	30	-	-	30	49	79	78	1.4
EBITDA	**1,674**	**-**	**-**	**1,674**	**2,185**	**3,858**	**3,771**	**2.3**
- EBITDA margin	***32.6%***	**-**	**-**	***32.6%***	***28.8%***	***30.3%***	***27.5%***	
Share of associates' pre-tax profits								
Regional mobile associates	-	*1,557*	-	*1,557*	-	*1,557*	*1,487*	*4.7*
Other associates	-	*64*	-	*64*	*	*64*	*78*	*-17.9*
- ordinary operations	-	1,621	-	1,621	*	1,621	1,566	3.5
- exceptional items	-	14	-	14	-	*14*	-	nm
	-	**1,635**	**-**	**1,635**	*****	**1,635**	**1,566**	**4.4**
EBITDA and share of associates' pre-tax profits	**1,674**	**1,635**	**-**	**3,309**	**2,185**	**5,493**	**5,337**	**2.9**
Depreciation & amortisation	(526)	-	-	(526)	(1,073)	(1,599)	(1,577)	1.4
EBIT	**1,148**	**1,635**	**-**	**2,783**	**1,112**	**3,894**	**3,760**	**3.6**
Net finance expense								
- net interest expense	(81)	-	-	(81)	(116)	(196)	(228)	-13.8
- other finance income/(expense)	12	-	11	23	36	59	(6)	nm
	(69)	-	11	(58)	(80)	(138)	(234)	-41.2
Profit before EI and tax	**1,079**	**1,635**	**11**	**2,725**	**1,032**	**3,756**	**3,526**	**6.5**
Taxation								
- current and deferred taxes	(136)	-	-	(136)	(303)	(439)	(371)	18.5
- share of taxes of associates	-	(529)	-	(529)	(3)	(532)	(467)	13.9
- withholding taxes (1)	-	-	(91)	(91)	-	(91)	(77)	18.1
	(136)	(529)	(91)	(756)	(306)	(1,062)	(915)	16.1
Profit after tax	**942**	**1,106**	**(80)**	**1,969**	**726**	**2,695**	**2,612**	**3.2**
Minority interests	(5)	-	-	(5)	-	(5)	(1)	228.6
Underlying net profit	**938**	**1,106**	**(80)**	**1,964**	**726**	**2,690**	**2,610**	**3.1**
EI (post-tax)	(14)	(73)	154	68	(4)	64	30	112.4
Net profit	**924**	**1,033**	**75**	**2,032**	**722**	**2,754**	**2,640**	**4.3**

Note:
(1) These are withholding taxes deducted at source when dividends are remitted by the overseas associates.

	Quarter 31 Dec 2013 S$ m	YOY Change %	YOY Change in constant currency [1] %	Nine Months 31 Dec 2013 S$ m	YOY Change %	YOY Change in constant currency [1] %
Operating revenue	**4,263**	**-7.3**	**-2.0**	**12,720**	**-7.2**	**-2.7**
Operating expenses	(3,023)	-10.1	-5.0	(8,941)	-10.7	-6.3
	1,241	0.4	6.0	3,779	2.3	7.1
Other income	23	-12.7	-6.7	79	1.4	6.4
EBITDA	**1,264**	**0.1**	**5.7**	**3,858**	**2.3**	**7.1**
-EBITDA margin	***29.6%***			***30.3%***		
Share of associates' pre-tax profits						
- Telkomsel	*214*	*-14.5*	*0.4*	*721*	*-5.4*	*4.8*
- AIS	*106*	*1.3*	*2.6*	*320*	*0.8*	*-0.4*
- Airtel	*148*	*113.1*	*138.5*	*350*	*28.1*	*40.9*
- Globe	*39*	*26.1*	*30.8*	*166*	*8.5*	*10.0*
- Warid	*-*	*-*	*-*	*-*	*nm*	*nm*
Regional mobile associates	506	11.4	24.1	1,557	4.7	12.2
Other associates	25	-20.1	-20.1	64	-17.9	-17.9
- ordinary operations	531	9.4	21.3	1,621	3.5	10.7
- exceptional items	8	nm	nm	14	nm	nm
	539	**10.9**	**22.9**	**1,635**	**4.4**	**11.6**
EBITDA and share of associates' pre-tax profits	**1,803**	**3.1**	**10.5**	**5,493**	**2.9**	**8.4**
Depreciation & amortisation	(533)	1.8	8.4	(1,599)	1.4	6.9
EBIT	**1,270**	**3.7**	**11.4**	**3,894**	**3.6**	**9.0**
Net finance expense	(34)	-56.8	-56.8	(138)	-41.2	-39.2
Profit before EI and tax	**1,236**	**7.8**	**16.0**	**3,756**	**6.5**	**12.2**
Taxation	(326)	19.7	30.8	(1,062)	16.1	23.2
Profit after tax	**911**	**4.1**	**11.4**	**2,695**	**3.2**	**8.3**
Minority interests	(1)	nm	nm	(5)	228.6	228.6
Underlying net profit	**910**	**4.0**	**11.3**	**2,690**	**3.1**	**8.2**
EI (post-tax)	(37)	-21.4	-16.7	64	112.4	103.6
Net profit	**872**	**5.5**	**12.9**	**2,754**	**4.3**	**9.3**

Note:
(1) Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 December 2012.

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Dec 2013 (Unaudited) S$ million	30 Sep 2013 (Unaudited) S$ million	31 Dec 2012 (Unaudited) S$ million
Current assets			
Cash and cash equivalents	1,283	861	831
Trade and other receivables	3,480	3,613	3,502
Asset held for sale	-	-	38
Inventories	220	219	255
Derivative financial instruments	8	2	*
	4,991	**4,695**	**4,626**
Non-current assets			
Property, plant and equipment	10,499	10,745	11,475
Intangible assets	10,730	10,776	10,874
Associates	173	206	185
Loan to an associate	1,331	1,331	1,331
Joint ventures	9,585	9,291	9,650
Available-for-sale investments	256	271	223
Deferred tax assets	858	884	962
Derivative financial instruments	349	246	120
Other non-current receivables	199	202	124
	33,980	**33,952**	**34,943**
Total assets	**38,970**	**38,647**	**39,569**
Current liabilities			
Trade and other payables	3,395	3,699	3,611
Advance billings	621	645	692
Current tax liabilities	471	383	477
Interim dividend payable	1,084	-	1,084
Borrowings (unsecured)	1,595	1,994	350
Borrowings (secured)	38	40	42
Derivative financial instruments	3	5	13
Net deferred gain (1)	58	58	58
	7,265	**6,823**	**6,327**
Non-current liabilities			
Borrowings (unsecured)	6,529	6,192	7,359
Borrowings (secured)	181	190	215
Derivative financial instruments	426	456	553
Advance billings	315	323	330
Deferred income	8	9	405
Net deferred gain (1)	1,159	1,183	1,187
Deferred tax liabilities	349	336	321
Other non-current liabilities	183	188	215
	9,150	**8,877**	**10,587**
Total liabilities	**16,415**	**15,700**	**16,913**
Net assets	**22,556**	**22,947**	**22,656**
Share capital and reserves			
Share capital	2,634	2,634	2,634
Reserves	19,902	20,292	19,998
Equity attributable to shareholders of the Company	22,536	22,926	22,632
Non-controlling interests	19	21	24
Total equity	**22,556**	**22,947**	**22,656**

Note:
(1) This relates to deferred gain on transfer of certain assets and business to NetLink Trust.

SINGAPORE CASH FLOW AND CAPITAL EXPENDITURE
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter			Nine Months		YOY
	31 Dec	31 Dec	30 Sep	31 Dec		Chge
	2013	2012	2013	2013	2012	
	S$ m	S$ m	S$ m	S$ m	S$ m	%
Net cash inflow from operating activities						
Profit before exceptional items and tax	335	340	348	1,079	1,033	4.4
Non-cash items	204	202	210	602	606	-0.6
Operating cash flow before working capital changes	539	542	558	1,681	1,639	2.6
Changes in operating assets and liabilities	37	111	9	(82)	42	nm
	576	653	567	1,599	1,681	-4.9
Cash paid to employees under performance share plans	-	-	(1)	(5)	(3)	48.5
Tax paid on operating activities	(37)	(55)	(42)	(95)	(121)	-21.3
Operating cash flow	539	599	524	1,500	1,557	-3.7
Tax benefit payment to NetLink Trust	(143)	-	-	(143)	-	nm
	396	599	524	1,357	1,557	-12.9
Net cash outflow for investing activities						
Net loan to STAI from Optus [(1)]	-	-	176	176	315	-44.3
Withholding tax paid on interest received on inter-company loans	-	-	(18)	(18)	(31)	-44.1
Payment for purchase of subsidiaries, net of cash acquired	(7)	-	(31)	(48)	(380)	-87.3
Payment for purchase of property, plant and equipment	(169)	(190)	(140)	(529)	(545)	-3.0
Investment in available-for-sale investments	(2)	(13)	(38)	(48)	(45)	6.3
Proceeds from disposal of available-for-sale investments	*	-	7	8	337	-97.7
Proceeds from disposal of property, plant and equipment	*	1	1	6	8	-27.2
Investment in associates	(11)	-	(384)	(395)	(6)	@
Proceeds from disposal of associates	38	-	-	38	-	nm
Payment for purchase of licences and other intangibles	(3)	(2)	(21)	(30)	(11)	183.8
Others *(dividends and interest received etc)*	17	18	3	38	35	8.0
	(137)	(187)	(445)	(802)	(322)	149.2
Net cash outflow for financing activities						
Net (decrease)/ increase in borrowings	(159)	(450)	793	228	(660)	nm
Net interest paid on borrowings and swaps	(42)	(44)	(27)	(112)	(120)	-7.0
Final dividends paid to shareholders	-	-	(1,594)	(1,594)	(1,434)	11.2
Purchase of performance shares	(5)	(5)	(5)	(19)	(23)	-17.3
Others	(6)	1	-	(6)	1	nm
	(212)	(499)	(833)	(1,503)	(2,236)	-32.8
Net increase/ (decrease) in cash balance from Singapore	48	(87)	(753)	(948)	(1,000)	-5.2
Net increase/ (decrease) in cash balance from Singapore	48	(87)	(753)	(948)	(1,000)	-5.2
Dividends received from associates	15	15	285	1,036	903	14.6
Withholding tax paid	-	-	(27)	(99)	(83)	18.7
Net dividends received from associates	15	15	258	937	820	14.2
Net increase/(decrease) in cash and cash equivalents	63	(72)	(495)	(12)	(180)	-93.5
SingTel cash and cash equivalents at beginning	640	694	1,137	716	804	-11.0
Exchange effects on cash and cash equivalents	1	5	(1)	*	4	nm
SingTel cash and cash equivalents at end	704	627	640	704	627	12.3
Singapore free cash flow [(2)]	370	408	384	971	1,012	-4.1
Free cash flow from associates' dividends	15	15	258	937	820	14.2
Cash capex to operating revenue	*10%*	*11%*	*8%*	*10%*	*11%*	

Notes:

(1) The inter-company amounts are eliminated at the Group level.

(2) Adjusted to exclude payment of S$143 million to NetLink Trust in consideration of tax benefits utilised by the Group. The S$143 million was subsequently applied by NetLink Trust towards the acquisition of OpenNet.

OPTUS CASH FLOW AND CAPITAL EXPENDITURE
For The Third Quarter And Nine Months Ended 31 December 2013

	Quarter			Nine Months		YOY
	31 Dec 2013 A$ m	31 Dec 2012 A$ m	30 Sep 2013 A$ m	31 Dec 2013 A$ m	31 Dec 2012 A$ m	Chge %
Net cash inflow from operating activities						
Profit before exceptional items and tax	**314**	**253**	**317**	**873**	**685**	**27.4**
Non-cash items	317	295	326	974	963	1.2
Operating cashflow before working capital changes	631	548	643	1,848	1,648	12.1
Changes in operating assets and liabilities	(131)	(143)	13	(377)	(268)	40.6
Net tax refund/ (paid)	*	57	(159)	(183)	10	nm
Operating cash flow	**501**	**462**	**498**	**1,289**	**1,390**	**-7.3**
Net cash outflow from investing activities						
Payment for purchase of property, plant and equipment	(251)	(273)	(259)	(773)	(871)	-11.3
Payment for purchase of subsidiary, net of cash acquired	-	(4)	-	-	(228)	nm
Loan to STAI (1)	-	-	(149)	(149)	(245)	-39.1
Purchase of licences and other intangibles	(18)	(36)	(16)	(188)	(102)	84.2
Others	*	1	2	4	5	-31.5
	(269)	**(312)**	**(422)**	**(1,106)**	**(1,441)**	**-23.2**
Net cash inflow/ (outflow) from financing activities						
Net increase/ (decrease) in bank borrowings	100	(95)	-	275	(75)	nm
Purchase of SingTel shares	(1)	-	-	(10)	(7)	47.8
Finance lease payments (exclude interest)	(2)	(2)	(2)	(5)	(5)	**
Net interest paid on borrowings and swaps	(37)	(41)	(36)	(112)	(117)	-4.4
	61	**(137)**	**(37)**	**148**	**(204)**	**nm**
Net increase/ (decrease) in cash balance from Optus	**293**	**13**	**38**	**330**	**(254)**	**nm**
Dividends received from associates	32	-	-	32	-	nm
Net increase/ (decrease) in cash and cash equivalents	**324**	**13**	**38**	**362**	**(254)**	**nm**
Optus cash and cash equivalents at beginning	189	148	150	151	415	-63.6
Optus cash and cash equivalents at end	**513**	**161**	**189**	**513**	**161**	**219.2**
Optus free cash flow	**250**	**189**	**239**	**516**	**519**	**-0.6**
Free cash flow from associates' dividends	**32**	**-**	**-**	**32**	**-**	**nm**
Cash capex to operating revenue	***12%***	***12%***	***12%***	***12%***	***13%***	

Note:
(1) The inter-company amounts are eliminated at the Group level.

OPTUS FINANCIALS IN AUSTRALIAN DOLLARS

	Quarter 31 Dec		YOY Chge	Nine Months 31 Dec		YOY Chge
	2013 A$ m	2012 A$ m	%	2013 A$ m	2012 A$ m	%
Operating revenue	**2,160**	**2,283**	**-5.4**	**6,400**	**6,761**	**-5.3**
Operating expenses	(1,546)	(1,721)	-10.2	(4,596)	(5,118)	-10.2
Other income	14	14	-1.5	41	39	5.8
EBITDA	**628**	**576**	**9.1**	**1,845**	**1,681**	**9.7**
- margin	***29.1%***	***25.2%***		***28.8%***	***24.9%***	
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	**628**	**576**	**9.1**	**1,845**	**1,681**	**9.7**
Depreciation & amortisation	(307)	(288)	6.4	(906)	(849)	6.7
EBIT	**322**	**288**	**11.7**	**939**	**833**	**12.8**
Net finance expense (net)	(8)	(35)	-78.0	(66)	(109)	-39.2
Profit before exceptional items and tax	**314**	**253**	**24.1**	**873**	**724**	**20.6**
Taxation	(87)	(72)	21.9	(258)	(217)	18.8
Underlying net profit	**227**	**181**	**25.0**	**615**	**507**	**21.4**
Exceptional items (post-tax)	-	(21)	nm	(4)	(27)	-86.2
Net profit	**227**	**160**	**41.4**	**611**	**480**	**27.5**

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

	As at		
	31 Dec 2013 A$ m	**30 Sep 2013 A$ m**	**31 Dec 2012 A$ m**
Property, plant and equipment (net)	**6,305**	**6,264**	**6,414**
Gross debt			
Current debt	356	556	6
Non-current debt	2,198	1,804	2,106
Gross debt as reported in the statement of financial position	2,554	2,360	2,112
Related net hedging (assets)/ liabilities	(97)	11	205
	2,457	2,371	2,317
Less: Cash and bank balances	(513)	(189)	(161)
Net debt	**1,944**	**2,182**	**2,156**

CURRENCY RISK MANAGEMENT & OTHER MATTERS

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

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

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

	As at		
Debt Currency Mix	**31 Dec 2013**	**30 Sep 2013**	**31 Dec 2012**
SGD	66%	67%	64%
AUD	34%	33%	36%
Total	**100%**	**100%**	**100%**

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

CREDIT RATINGS

As at 31 Dec 2013	SingTel	Optus
Standard & Poor's	A+ (stable)	A (stable)
Moody's Investors Service	Aa3 (stable)	Aa3 (negative)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Nine Months
Derived weighted average exchange rate [1] for:				
Operating revenue				
SGD				
FY2014	1.2355	1.1615	1.1587	1.1851
FY2013	1.2768	1.2953	1.2699	1.2806
Change (last corresponding period)	***-3.2%***	***-10.3%***	***-8.8%***	***-7.5%***
Underlying net profit				
SGD				
FY2014	1.2389	1.1625	1.1544	1.1803
FY2013	1.2773	1.2954	1.2708	1.2808
Change (last corresponding period)	***-3.0%***	***-10.3%***	***-9.2%***	***-7.8%***

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

1 Singapore Dollar buys:	Q1	Q2	Q3	Nine Months
Rupiah				
FY2014	7,813	8,403	9,259	8,448
FY2013	7,353	7,634	7,874	7,626
Change (last corresponding period)	***6.3%***	***10.1%***	***17.6%***	***10.8%***
Indian Rupee				
FY2014	44.6	48.8	49.5	48.1
FY2013	42.7	44.2	44.2	43.7
Change (last corresponding period)	***4.4%***	***10.4%***	***12.0%***	***10.1%***
Baht				
FY2014	23.9	24.8	25.4	24.7
FY2013	24.8	25.1	25.1	25.0
Change (last corresponding period)	***-3.6%***	***-1.2%***	***1.2%***	***-1.2%***
Peso				
FY2014	33.4	34.5	34.8	34.1
FY2013	33.8	33.6	33.7	33.7
Change (last corresponding period)	***-1.2%***	***2.7%***	***3.3%***	***1.2%***

OUTLOOK FOR THE CURRENT FINANCIAL YEAR ENDING 31 MARCH 2014

- **Consolidated results and cash flow may be impacted by material exchange rate movements in the Australian Dollar and regional currencies.** The Group's outlook for the current financial year has incorporated the forward exchange rates as of 30 January 2014 for the quarter ending 31 March 2014:

Australian Dollar	**AUD 1: SGD 1.1226**
Indonesian Rupiah	SGD 1: IDR 9,667
Indian Rupee	SGD 1: INR 49.4
Thailand Baht	SGD 1: THB 26.0
Philippine Peso	SGD 1: PHP 35.3

- **Revenue from Group Consumer to decline by low double digit level, with lower revenues from Australia, and EBITDA to decline by low single digit level.**

  Mobile Communications revenue from Singapore to grow by low single digit level.

  Mobile service revenue from Australia to decline by mid-single digit level.

- **Revenue and EBITDA from Group Enterprise to decline at low single digit levels.**

- **Revenue from Group Digital L!fe to grow at least 50% on an organic basis and will continue to register startup losses.**

- **Consolidated revenue of the Group to decline by mid-single digit level and EBITDA to decline by low single digit level. EBIT, excluding share of associates' results, to decline by mid-single digit level, with higher depreciation and amortisation.**

- **Cash capital expenditure for Singapore and Australia is projected to be approximately S$2.2 billion, with major expenditure on the expansion of the Group's LTE coverage and 3G network enhancements.**

- **The Group will allocate up to S$2 billion for investments to support growth in the digital business over the next three years.**

- **Group free cash flow (excluding dividends from associates) to be approximately S$2.0 billion, with increased capital expenditure in Singapore and Australia, as well as higher taxes.**

- **Ordinary dividends from regional mobile associates are expected to grow.**