

SingTel Investor Day: Fixed Business Overview

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11 July 2011

Forward looking statements - important note

The following presentation may contain forward looking statements by the management of SingTel Group relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of SingTel Group. In particular, such targets should not be regarded as a forecast or projection of future performance of SingTel Group. It should be noted that the actual performance of SingTel Group may vary significantly from such targets.



Today

- 1 **FY11 performance**
- 2 **Future opportunities and strategy**

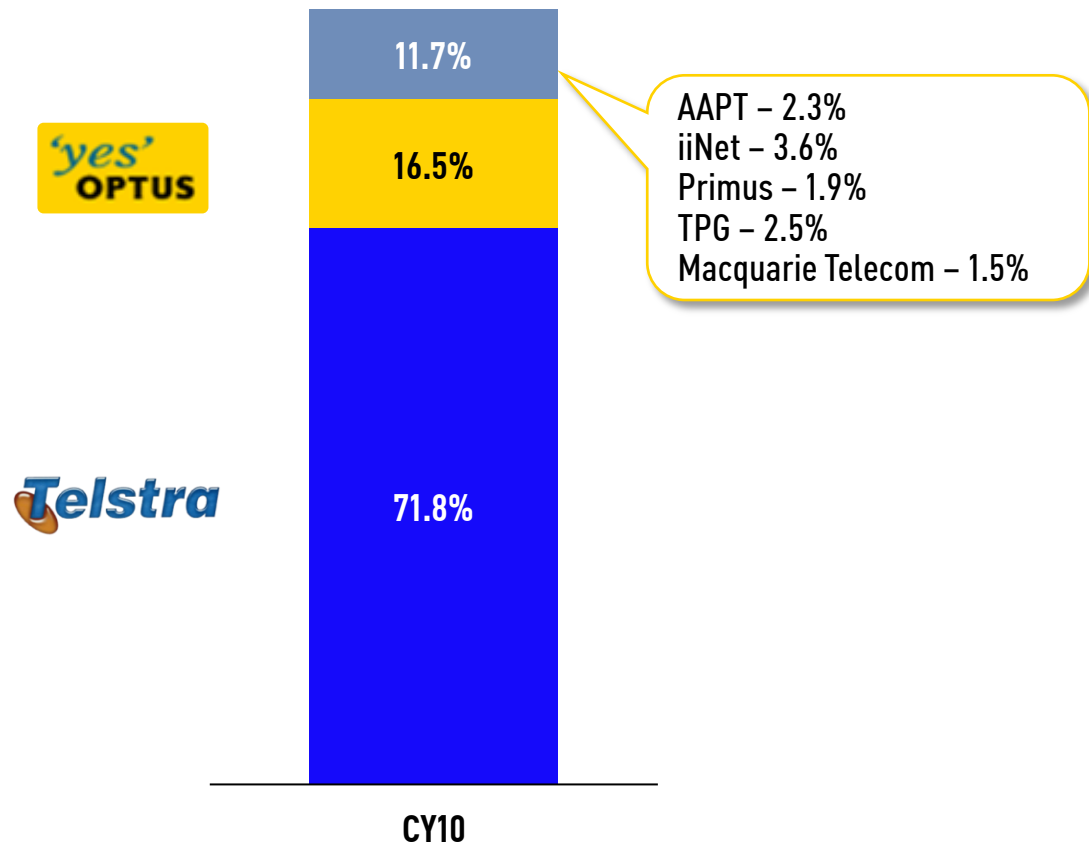


Today

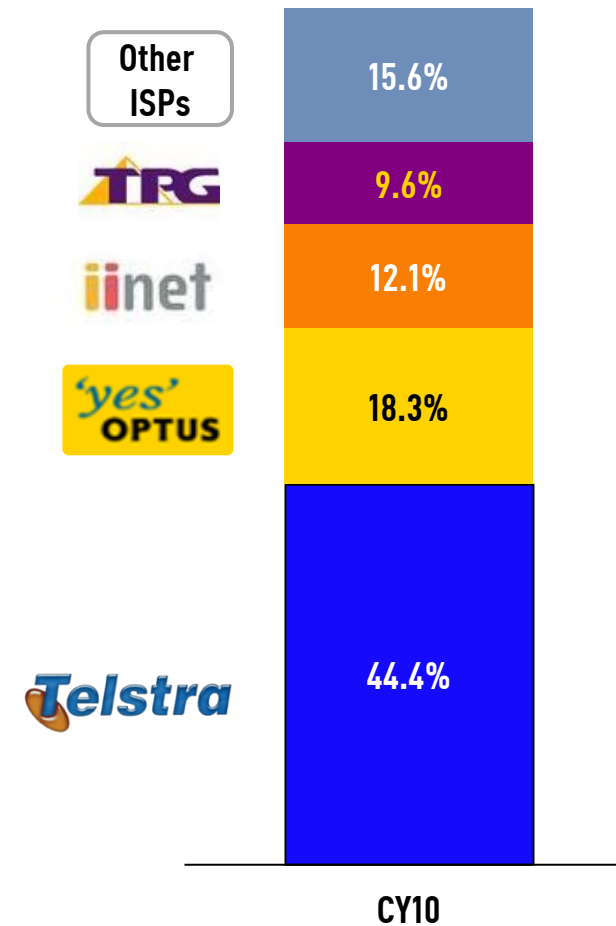
- 1 **FY11 performance**
- 2 Future opportunities and strategy

Optus is the key scale competitor in fixed line services

FIXED REVENUE MARKET SHARE*



BROADBAND SUBS MARKET SHARE*



Bundling, innovating & differentiating in mass market fixed

Bundle up and save this winter.
Broadband and Home Phone

UP TO
120GB[~] DATA
50GB PEAK AND 70GB OFF-PEAK
Speed limited for both peak and off-peak to 64kbps once peak or total data is exceeded.

\$30 CALL VALUE[†]
TO STANDARD LOCAL, NATIONAL,
13/1300 AND AUSTRALIAN MOBILES.

ORDER ONLINE
to get a Bonus
Uniden handset

\$64.94^{*}
A MONTH
OVER 24 MONTHS
*Min. Cost = \$1558.56

CONNECTION[#] +
DELIVERY ONLINE ONLY \$0

Peak: 12pm-12am AEST/ADST. Off Peak: 12am-12pm AEST/ADST. ~Data usage includes uploads and downloads. †Standard rates apply once you exceed call value. #New number fee may apply. Only in Optus Cable and Direct areas. Tell us if you require uninterrupted power supply. Not available in all homes or NT and TAS. Cancellation fees apply.

Home Phone and Broadband Bundles

The Optus \$109 Plan
\$109/month over 24 months. Min. cost \$2616

- 500 GB of Broadband[^] ✓
- Unlimited Standard Local +National Calls ✓
- Unlimited Calls to Australian GSM Mobiles (excludes pivotel) ✓
- Online exclusive: \$0 connection and delivery ✓

Put your current bundle to the test.

FIND OUT MORE

^ Super-fast up to 500GB & then speed limited to broadband speeds of 256kbps. WiFi modem included for new customers.

\$0 connection and delivery
Online exclusive:

Exclusive Home Phone and Internet plans if you're over 50

\$50
PER MONTH FOR 24 MONTHS
MIN.COST=\$1,560

INCLUDES

- > As many standard local and national calls you like
- > Line rental
- > Plus 10GB of internet

BIG BUTTON HANDSET
ONLINE ONLY

Simple \$50 plan is exclusively for customers 50 years and over. Speed is limited to 64kbps once 5GB is reached.

FIND OUT MORE

Speed is limited to 64kbps once 5GB is reached. Simple \$50 plan is exclusively for customers 50 years and over.

FIND OUT MORE

MIN.COST=\$1,200
PER MONTH FOR 24 MONTHS

\$20

> Plus 10GB of internet
> Line rental
> As many standard local and national calls you like

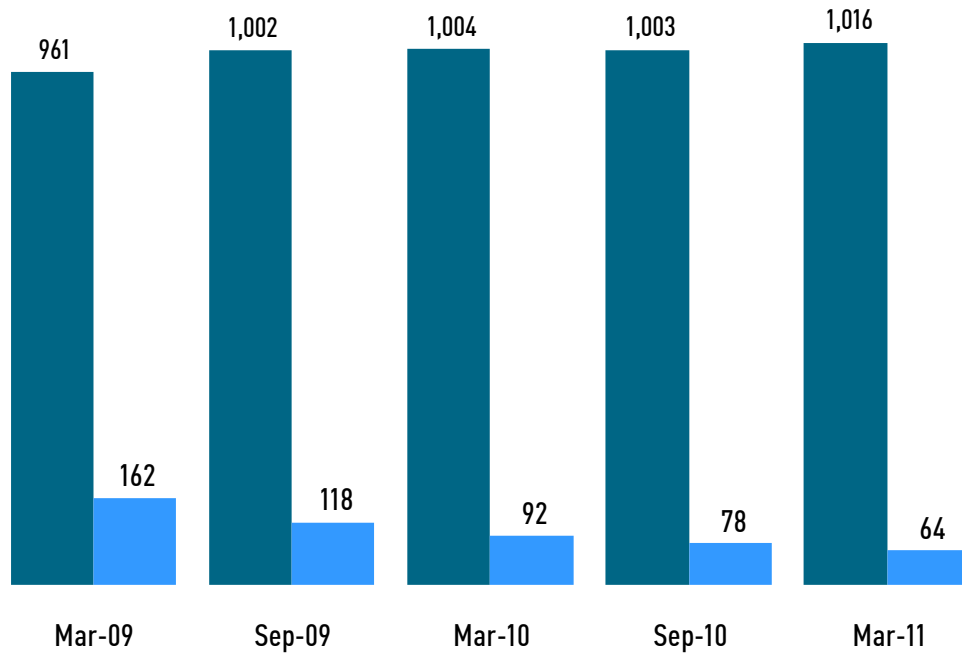
ONLINE ONLY
BIG BUTTON HANDSET

'yes' OPTUS

Consumer & SMB on-net customer growth in the face of strong competition

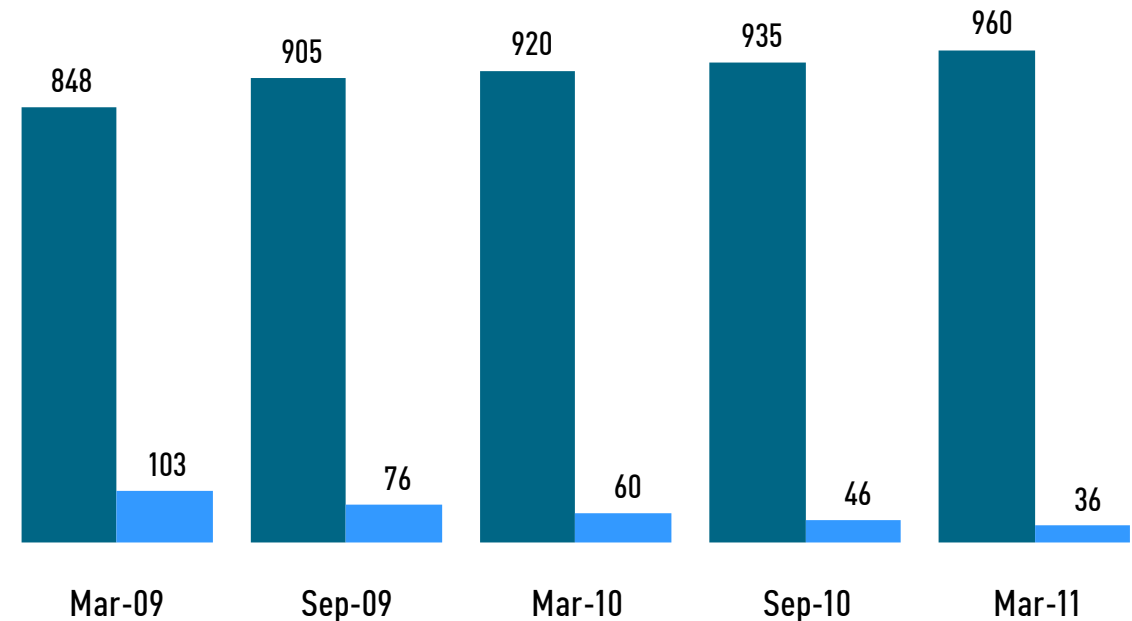
TELEPHONY CUSTOMERS (000s)

■ on-net
■ off-net



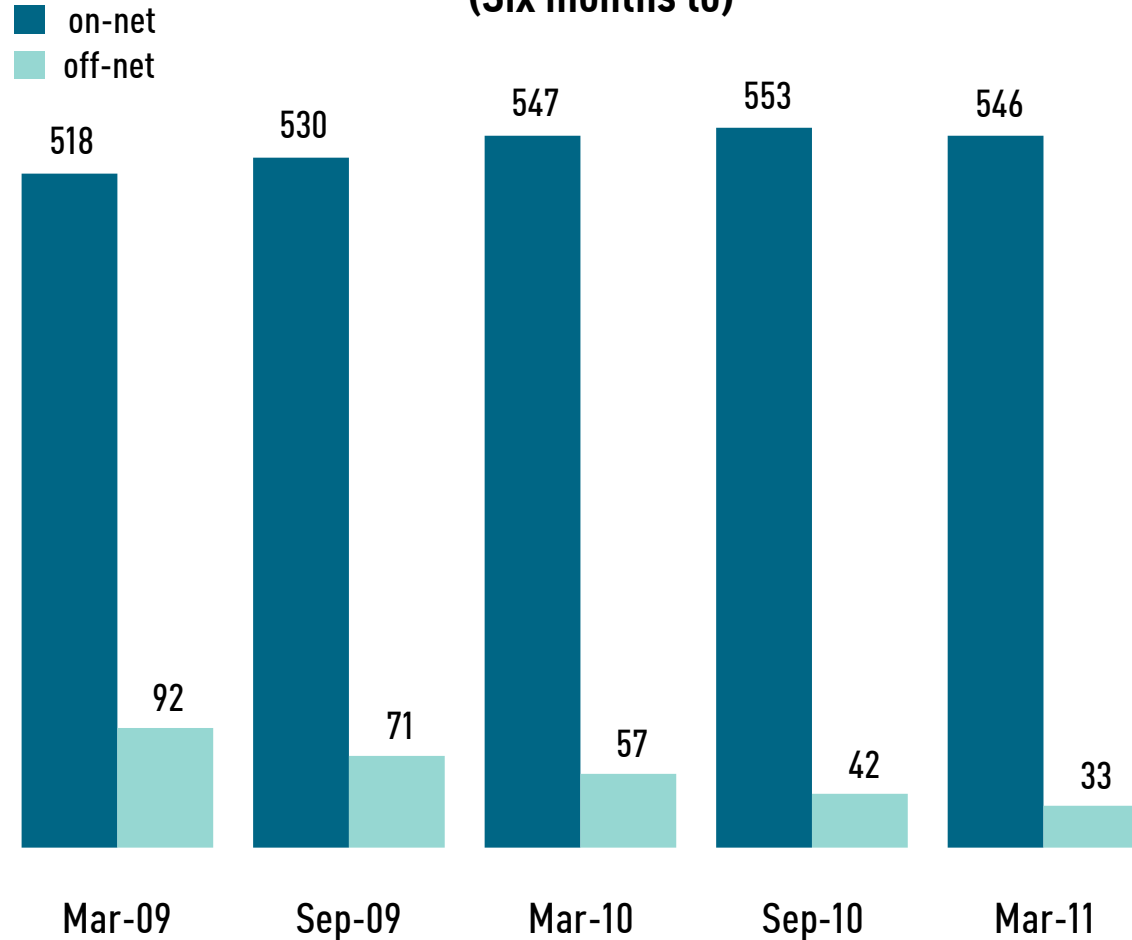
BROADBAND CUSTOMERS (000s)

■ on-net
■ off-net

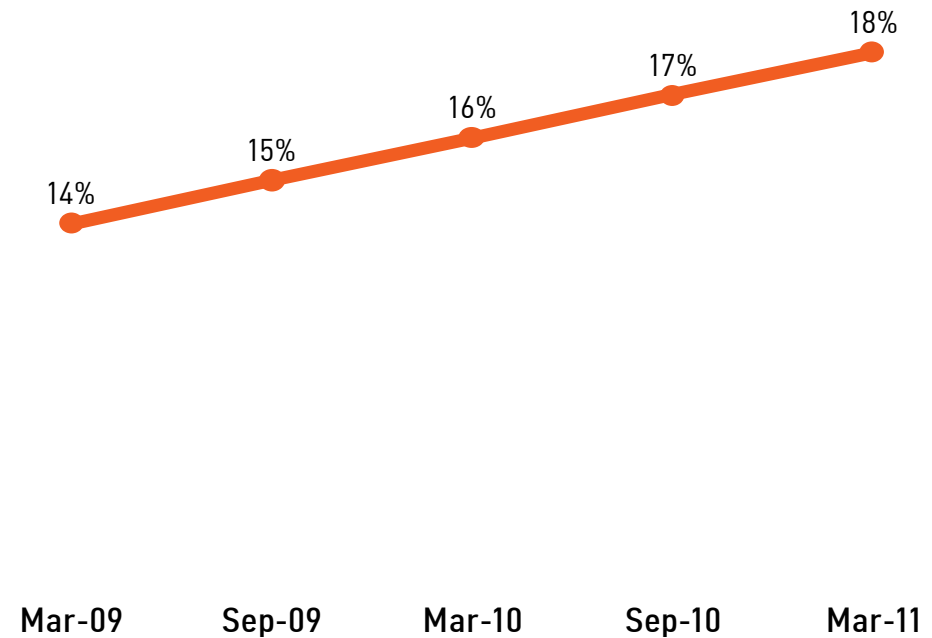


Our on-net focus has improved margins

CONSUMER FIXED REVENUE (A\$ MILLION)
(Six months to)

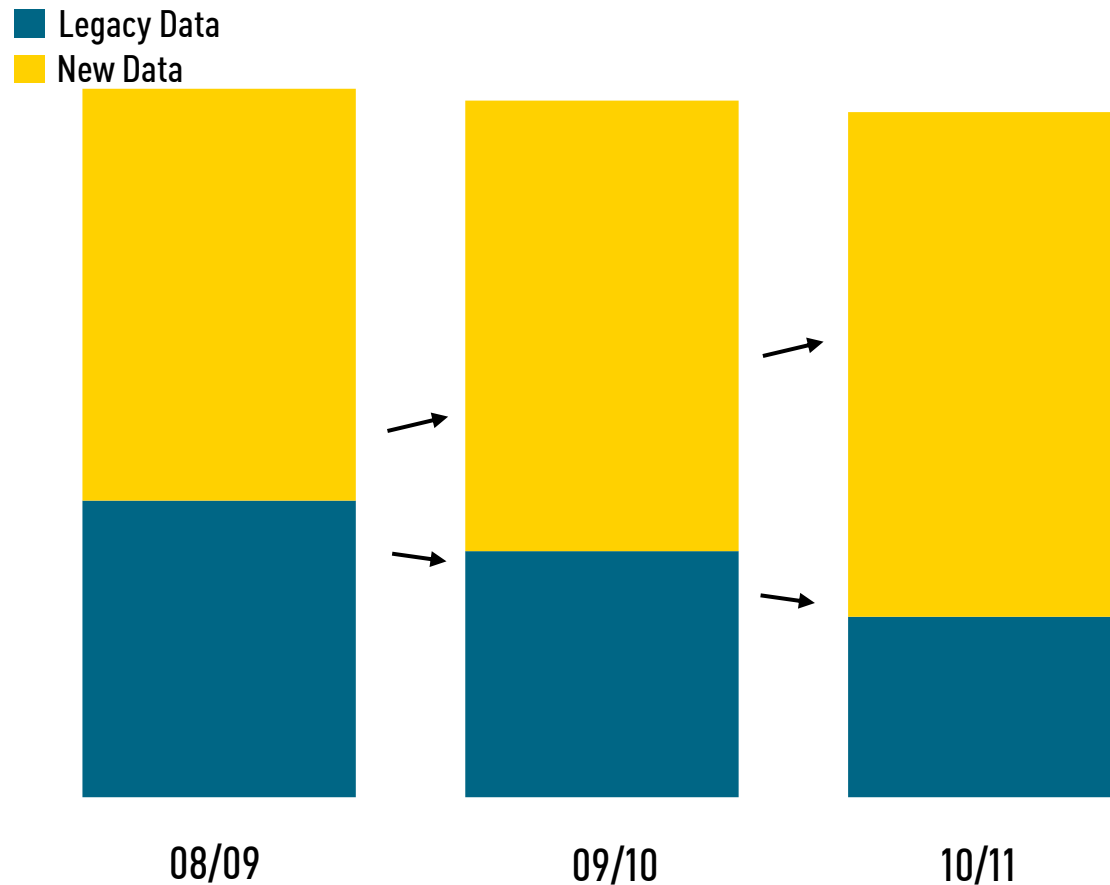


CONSUMER & SMB EBITDA MARGIN
(Six months to)



In the corporate market, we are exploiting the shift to IP

MIGRATION FROM LEGACY TO IP REVENUE



LEADING IN INTEGRATED IP NETWORK SERVICES

- Driving continued adoption of IP and Ethernet based services to deliver efficient, scalable and feature rich networks to corporate customers
- Maintaining leadership position as the premier provider of IP VPN services in Asia (with SingTel)
- Evolve™ Layer 2, 3 network - modular, future proof architecture; continually being enhanced to provide additional capabilities
- Evolve™ Internet – Security as a Service delivering secure, clean internet integrated and fully hosted within the core network

Broadened our business with particular emphasis on Cloud Solutions

OPTUS MANAGED SERVICES

CAPABILITIES THAT REDUCE YOUR LOAD AND GIVE YOU PEACE OF MIND.



- Optus Managed Services consolidates billing reports, provides centralised support and manages contractual agreements
- Includes Facilities Management, Vendor and Contract Management and Service Support

NETWORK ICT SERVICES

HELPING YOUR BUSINESS WORK BETTER IN A NETWORKED WORLD.



- Optus' fully owned ICT Services arm, Alphawest, offers a diverse range of Managed Services, eg Managed IP Telephony, Managed Security Services
- Additional capabilities include Security Solutions, Information and Process Management, Data Centre Technologies and Enterprise Collaboration

OPTUS CLOUD SOLUTIONS

THE FIRST STEP TO GREATER BUSINESS AGILITY



- Optus Elevate (Infrastructure as a Service) solution delivers cloud based ICT services over the Optus Evolve® IP network
- 1st Service Provider globally to successfully link local virtualised systems with Optus domestic and SingTel international cloud using VMware's vCloud Connector

We're the key alternative provider to corporate customers

EXISTING CUSTOMERS



KONICA MINOLTA



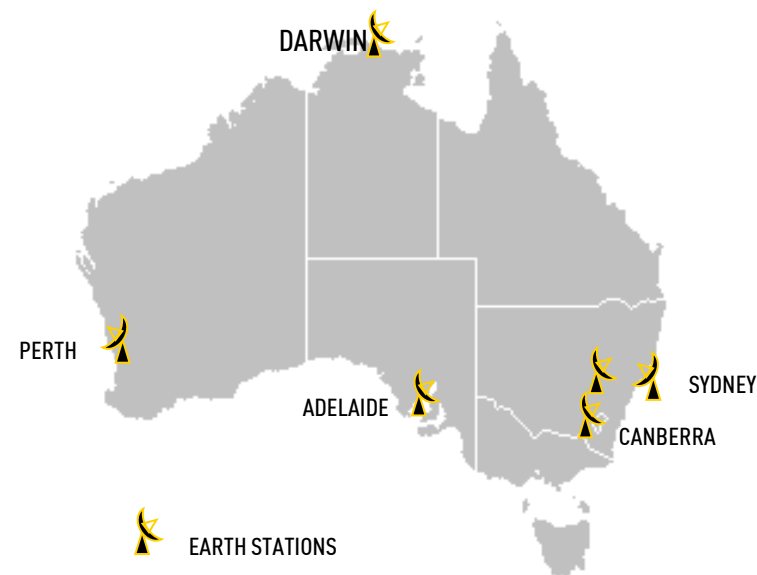
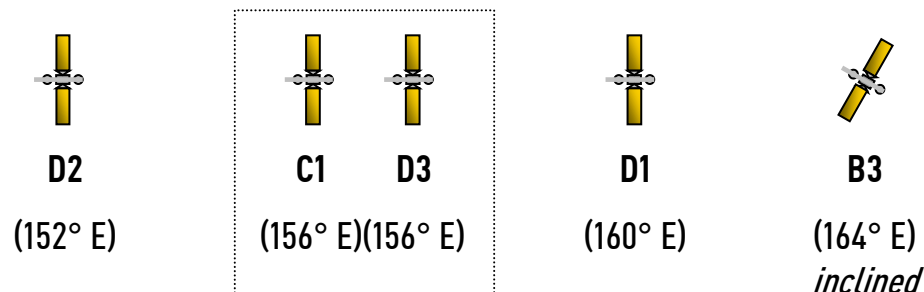
RBS Morgans

RECENT WINS



Optus owns and operates Australia's main satellite fleet, with further resilience promised with the launch of Optus10

- Leading player in Australia/NZ satellite industry
- 5 Optus satellites in orbit
- Optus10 planned for launch in 2013/14
- NBN First Release Satellite Services, as part of \$200m deal
- All broadcasters have signed for Viewer Access Satellite Television
- Customer base:



Optus Wholesale & Satellite Fixed: Deregulation in voice off-setting growth in Satellite

FIXED DATA & IP A\$258m

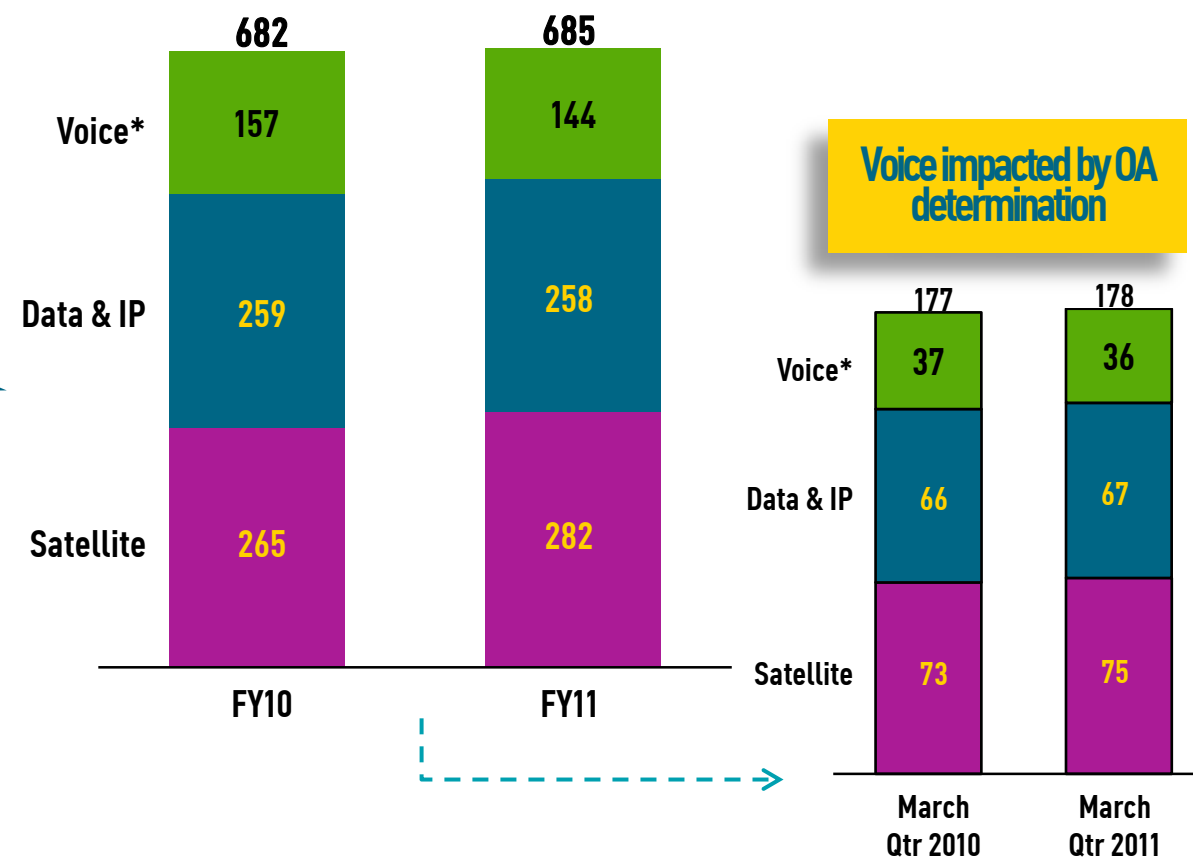
SATELLITE A\$282m

STABLE

6%



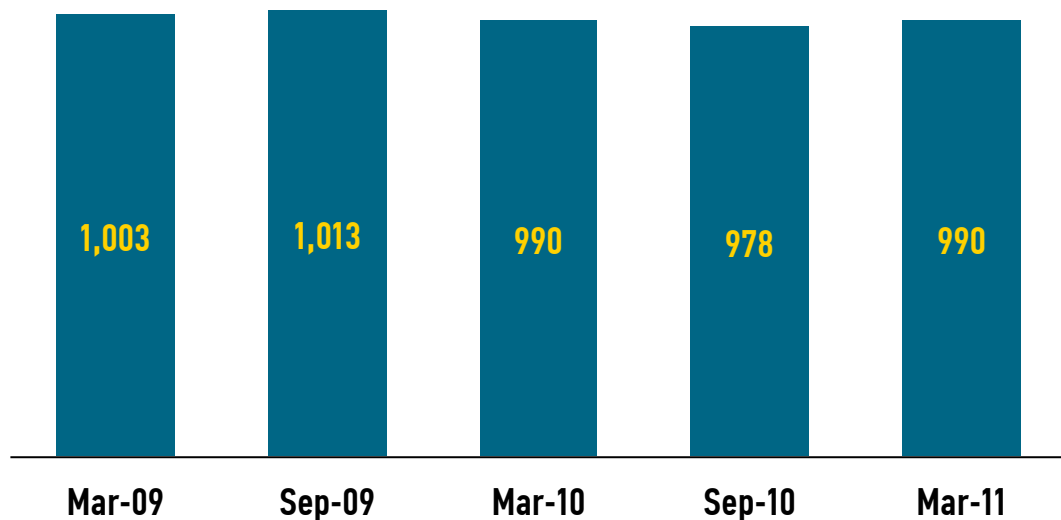
A\$M REVENUES



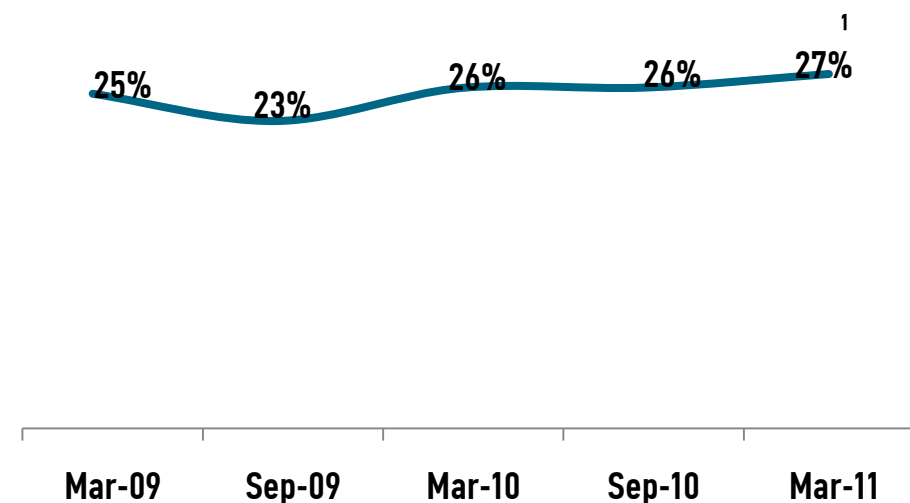
'yes' OPTUS

We've delivered margin expansion in our OB & OWS fixed portfolio

OB & OWS FIXED REVENUE (A\$ MILLION)
(Six months to)



OB & OWS EBITDA MARGIN



1. EBITDA margin excluding impact of the reversal of outpayment provision no longer required (including impact: 29%)



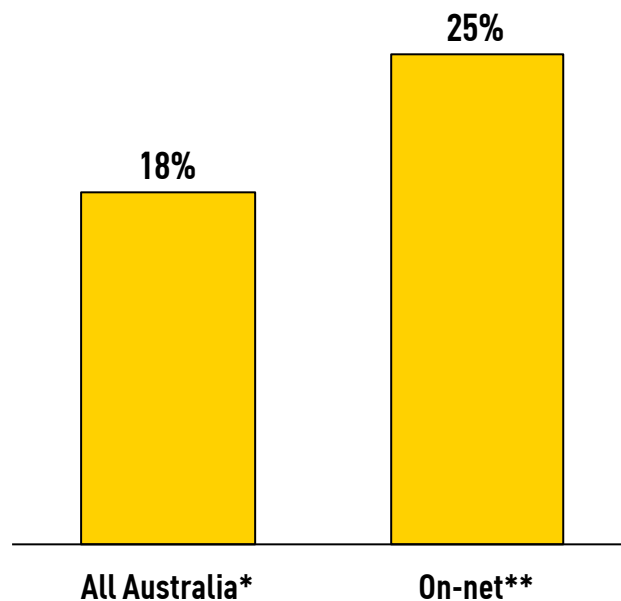
Today

1 FY11 performance

2 **Future opportunities and strategy**

Strengthening our #2 market share position in the lead up to the NBN migration

BROADBAND SUBSCRIBER SHARE – DEC 2010



*JP Morgan

** Optus estimates based on 4.5m premises on-net footprint and a broadband penetration of 68% (national penetration of 64%)



DOCSIS 3.0 upgrade

Video



'yes'
OPTUS

Relevant and personalised value added services

OPTUS
DIGITAL MEDIA



Optus Smart Safe



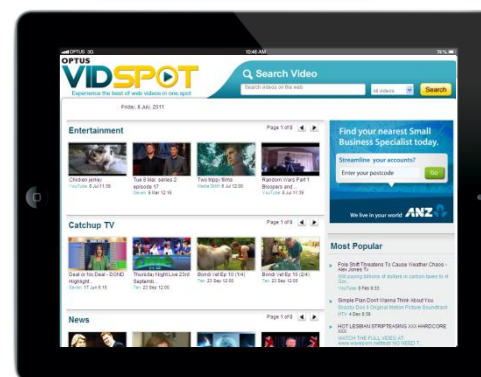
Optus Vidspot



Optus Smart Safe



Optus Vidspot



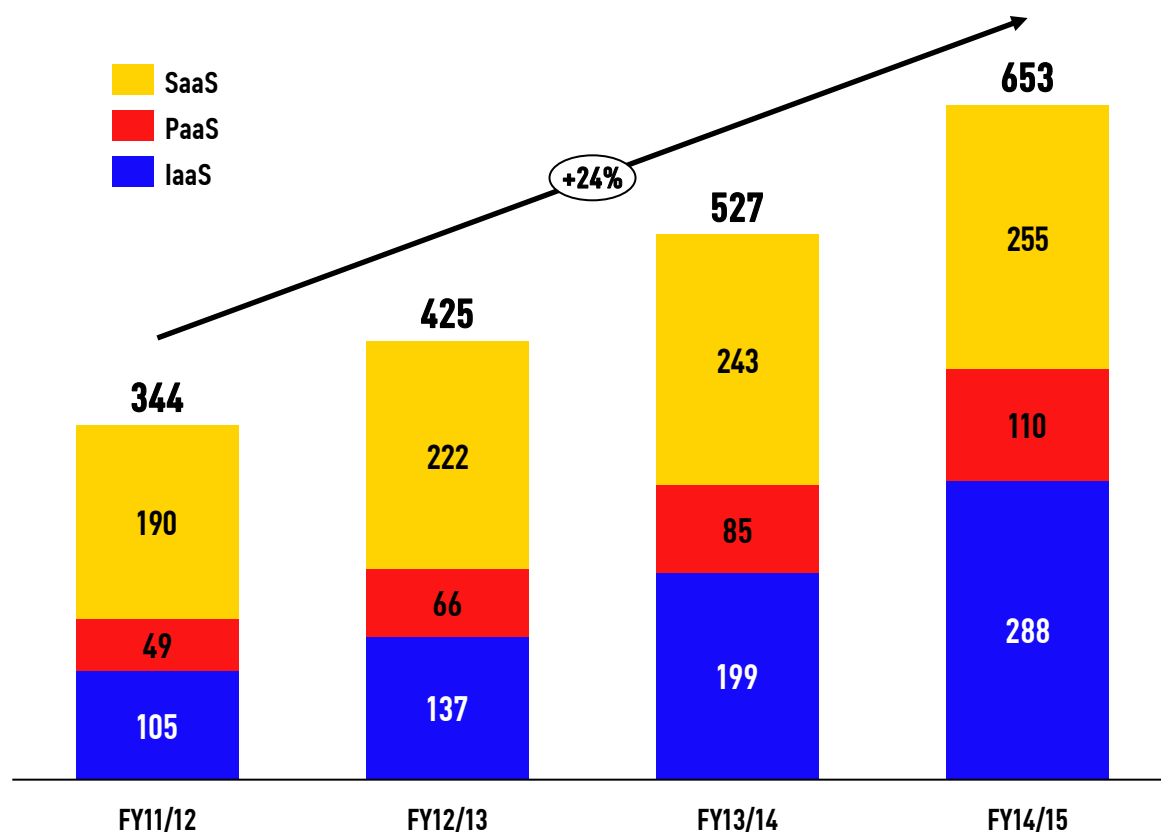
Google Apps Partnership



'yes'
OPTUS

Leverage ICT and cloud capability for corporates

Australian Cloud Forecast (A\$m)



Source: IDC

Accelerate growth in the Cloud market

- ✓ Continuing to be first to market in deploying new IaaS capabilities
- ✓ Allowing our customers to consume Cloud capability when, where and how they want it
- ✓ Delivering the future worker a more flexible, collaborative and mobile experience using Cloud
- ✓ Leveraging our extensive local and regional network capability to complement our Cloud based IaaS offerings

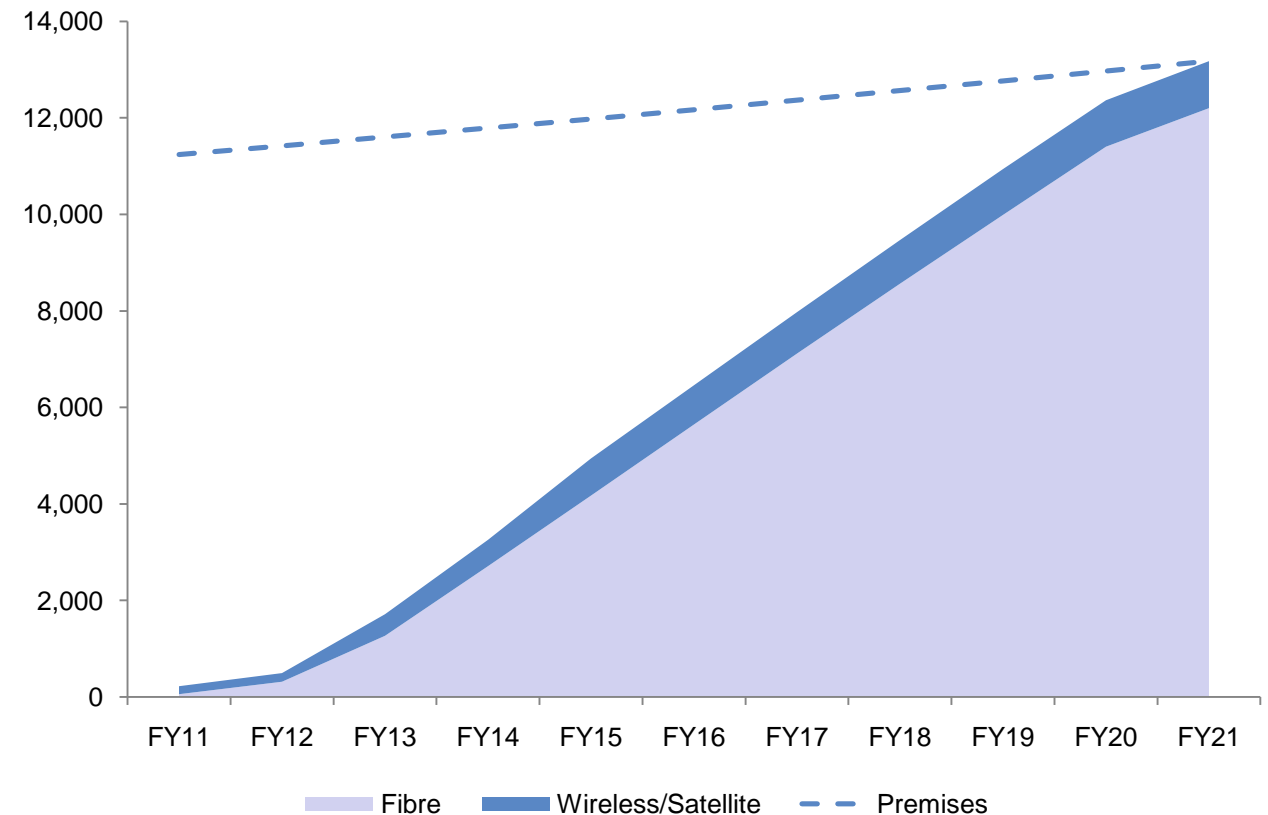
'yes'
OPTUS

Optus is a key participant in the NBN

Optus' HFC network agreement with NBN Co (June 2011)

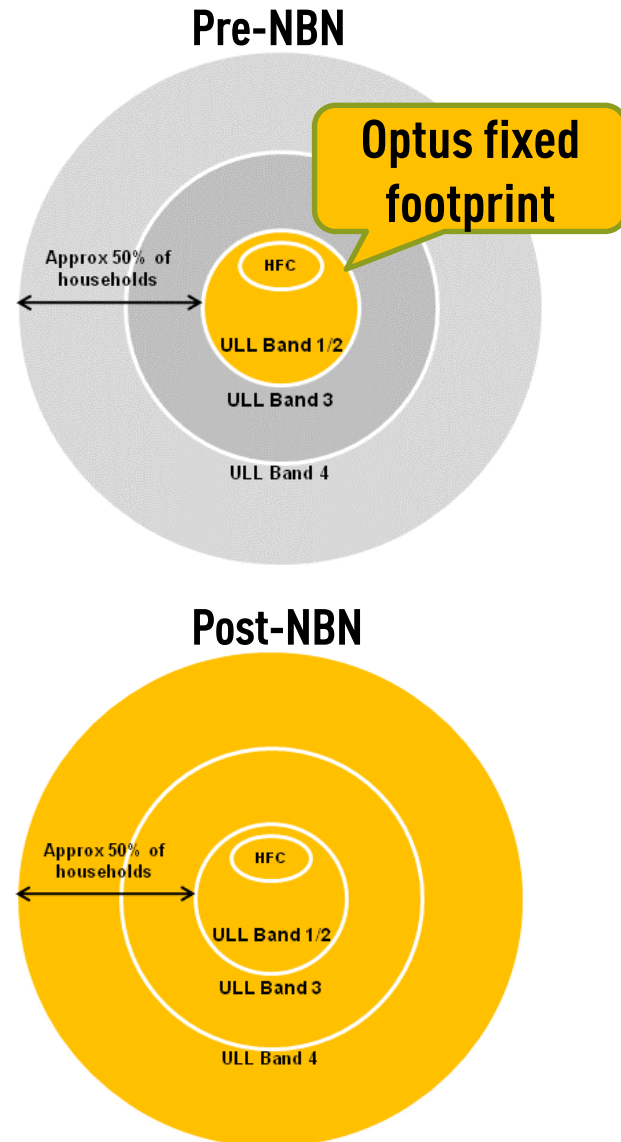
- Progressive migration of Optus HFC customers to the NBN
- ~A\$800m post tax NPV – progressive payments as customers are migrated
- Migration commences from ~2014 – approximately 4 years to complete
- Optus to progressively decommission the HFC network
- Federal Government guarantee
- Conditions precedent: ACCC approval and ATO tax ruling
- Termination rights

NBN Forecast – Premises passed



Source: NBN

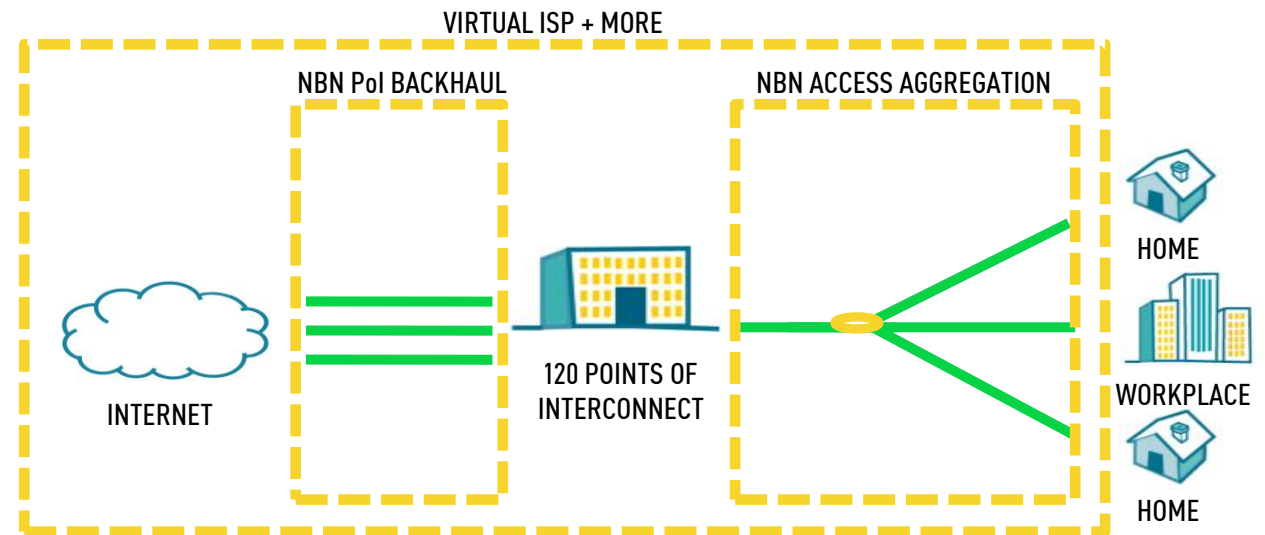
NBN increases addressable market and provides opportunities in satellite and wholesale



Optus' Satellite Contract (May 2011)

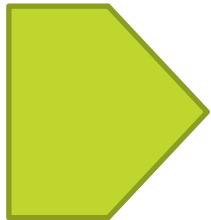
- 5 year deal valued at ~A\$200m
- Provision of satellite capacity, network infrastructure, customer premise equipment and operating systems
- To commence from July 2011

Optus' participation in the future fixed wholesale market

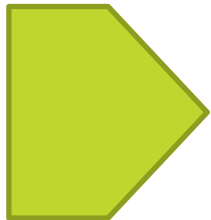


Our future in an NBN world

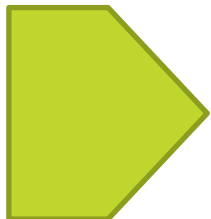
Drive Mobile Led Convergence



Leverage brand and presence in mobile



Differentiated offerings through bundling and digital services



Focus on personalised and relevant services

Closing Video: Optus Satellite

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