



Singapore Telecommunications Limited And Subsidiary Companies

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 MARCH 2016

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 year ended, and as at, 31 March 2016 are audited.

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.

Table Of Contents

Section 1 : Group	Pg
Financial Highlights.....	1
Group Summary Income Statements.....	3
Business Segments.....	4
Final Dividend	5
Review Of Group Operating Performance.....	5
Sequential Quarterly Results.....	8
Outlook For The Financial Year Ending 31 March 2017.....	8
Operating Revenue.....	11
Operating Expenses.....	13
Staff Costs.....	14
Net Finance Expense.....	15
Exceptional Items.....	16
Tax Expense.....	17
Summary Statements Of Financial Position.....	18
Liquidity And Gearing.....	19
Cash Flow And Capital Expenditure.....	20
Singapore Regulatory Updates.....	21
 Section 2 : Group Consumer	
Financial Highlights.....	22
Group Consumer Summary Income Statements	23
Operating Highlights.....	24
Singapore Consumer Summary Income Statements.....	26
Australia Consumer Summary Income Statements.....	29
 Section 3 : Group Enterprise	
Financial Highlights.....	33
Group Enterprise Summary Income Statements.....	34
Operating Highlights.....	35
Singapore Enterprise.....	37
Australia Enterprise.....	38
 Section 4 : Group Digital Life	
Financial Highlights.....	39
Group Digital Life Summary Income Statements.....	40
Operating Highlights.....	41

Table Of Contents (continued)

Section 5 : Associates/ Joint Ventures	Pg
Financial Highlights.....	43
Share Of Results Of Associates/ Joint Ventures.....	44
Proforma Information.....	52
Cash Dividends Received From Associates/ Joint Ventures.....	55
Key Operational Data.....	56
Section 6 : Product Information	
Singapore Mobile (Product View).....	57
Australia Mobile (Product View).....	58
Singtel TV (Product View).....	59
Singapore Consumer Home.....	59
Other Products.....	60
Section 7 : Glossary	62
Appendix 1 : Group Summary Income Statements	
Appendix 2 : Group Statements Of Financial Position	
Appendix 3 : Cash Flow Statements of Singapore And Optus	
Appendix 4 : Optus Financials In Australian Dollars	
Appendix 5 : Business Segment Information For FY 2015	
Appendix 6 : Currency Risk Management & Other Matters	

SECTION 1 : GROUP

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2016**

- Operating revenue declined by 5.6% impacted by decline in mobile termination rates in Australia¹ and 5% depreciation of the Australian Dollar. Excluding the rates change, revenue would have declined by 1.3%.
- EBITDA was stable as the decline in mobile service revenue was mitigated by lower traffic expenses in Australia.
- In constant currency terms², operating revenue declined by 3.1% (up 1.5% excluding the rates change) while EBITDA increased by 2.1%.
- Post-tax contributions from the associates increased by 16% with lower fair value losses at Airtel and higher earnings at Telkomsel and NetLink Trust.
- Excluding Trustwave, underlying net profit would be up 4.5%, and up 7.7% in constant currency terms².
- Free cash flow decreased S\$283 million or 29% to S\$681 million on higher vendor payments and increased investments in mobile acquisitions and retentions in Australia.

FINANCIAL HIGHLIGHTS**FOR THE YEAR ENDED 31 MARCH 2016**

- Operating revenue and EBITDA both declined by 1.5% as the Australian Dollar depreciated 9%.
- In constant currency terms², operating revenue and EBITDA both increased by 4.1%.
- Post-tax contributions from the associates increased 10% with higher earnings at Telkomsel and NetLink Trust.
- Excluding Trustwave and the one-off tax credit last year, underlying net profit would be up 2.4%, and up 5.8% in constant currency terms².
- With net exceptional gains, net profit was up 2.4%, and up 5.5% in constant currency terms².
- Free cash flow decreased by S\$831 million or 23% to S\$2.72 billion mainly on higher vendor payments, increased investments in mobile acquisitions and retentions in Australia, as well as approximately S\$280 million received from OpenNet last year on fibre rollout completion.

¹ Mobile termination rates declined effective from 1 January 2016 and reduced operating revenue by S\$188 million (A\$186 million) for the current quarter, with minimal impact on profitability.

² 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 March 2015.

SECTION 1 : GROUP

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Operating revenue <i>(exclude mobile termination rates decline)</i>	4,094	4,339	-5.6	16,961	17,223	-1.5
	4,282	4,339	-1.3	17,149	17,223	-0.4
EBITDA	1,262	1,274	-0.9	5,013	5,091	-1.5
EBITDA margin	30.8%	29.4%		29.6%	29.6%	
Share of associates' pre-tax profits	721	646	11.6	2,791	2,579	8.2
EBITDA and share of associates' pre-tax profits	1,983	1,920	3.3	7,804	7,670	1.7
EBIT	1,437	1,377	4.4	5,655	5,508	2.7
<i>(exclude share of associates' pre-tax profits)</i>	717	731	-2.0	2,864	2,929	-2.2
Underlying net profit	981	950	3.3	3,805	3,779	0.7
<i>(exclude Trustwave and one-off tax credit) ⁽¹⁾</i>	993	950	4.5	3,832	3,740	2.4
Exceptional items (post-tax)	(35)	(11)	226.2	66	3	@
Net profit	946	939	0.8	3,871	3,782	2.4
<i>(exclude Trustwave and one-off tax credit) ⁽¹⁾</i>	958	939	2.0	3,898	3,743	4.1
Free cash flow	681	964	-29.3	2,718	3,549	-23.4
Underlying earnings per share (S cents)	6.15	5.96	3.2	23.88	23.71	0.7
Basic earnings per share (S cents)	5.94	5.89	0.8	24.29	23.73	2.4

	As at		
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	31 Mar 2015 S\$ m
	Total assets	43,566	43,877
Shareholders' funds	24,989	24,532	24,733
Net debt ⁽²⁾	9,142	8,916	7,963
Net debt gearing ratio ⁽³⁾	26.8%	26.6%	24.3%
Net debt to EBITDA and share of associates' pre-tax profits ⁽⁴⁾	1.17X	1.15X	1.04X
Interest cover:			
- EBITDA and share of associates' pre-tax profits/ net interest expense ⁽⁵⁾	25.3X	25.9X	29.2X

Notes:

- (1) Trustwave contributed operating revenue and net loss of S\$73 million and S\$12 million for the current quarter, and S\$147 million and S\$27 million for the year ended 31 March 2016, respectively. The profits were adjusted to exclude the impact of Trustwave and a one-off tax credit of S\$39 million arising from certain property, plant and equipment transferred to an associate recorded in December 2014 quarter.
- (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.

SECTION 1 : GROUP**GROUP SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Operating revenue	4,094	4,339	-5.6	16,961	17,223	-1.5
Operating expenses	(2,865)	(3,119)	-8.2	(12,097)	(12,284)	-1.5
	1,229	1,220	0.8	4,864	4,939	-1.5
Other income	33	54	-39.7	148	151	-2.0
EBITDA	1,262	1,274	-0.9	5,013	5,091	-1.5
- <i>EBITDA margin</i>	30.8%	29.4%		29.6%	29.6%	
Share of associates' pre-tax profits	721	646	11.6	2,791	2,579	8.2
EBITDA and share of associates' pre-tax profits	1,983	1,920	3.3	7,804	7,670	1.7
Depreciation	(476)	(489)	-2.7	(1,892)	(1,965)	-3.7
Amortisation of intangibles	(70)	(54)	29.6	(257)	(197)	30.6
	(545)	(543)	0.5	(2,149)	(2,161)	-0.6
EBIT	1,437	1,377	4.4	5,655	5,508	2.7
Net finance expense						
- net interest expense	(85)	(66)	27.4	(309)	(263)	17.5
- other finance (expense)/ income	(7)	15	nm	44	47	-5.4
	(91)	(52)	76.4	(265)	(216)	22.4
Profit before exceptional items and tax	1,346	1,325	1.6	5,390	5,292	1.9
Taxation	(371)	(377)	-1.6	(1,597)	(1,549)	3.1
Profit after tax	975	948	2.9	3,793	3,743	1.3
Minority interests	6	1	330.8	13	(3)	nm
Profit before tax credit	981	950	3.3	3,805	3,740	1.7
Tax credit on transfer of assets to associate	-	-	-	-	39	nm
Underlying net profit	981	950	3.3	3,805	3,779	0.7
<i>(exclude one-off tax credit and Trustwave)</i>	993	950	4.5	3,832	3,740	2.4
Exceptional items (post-tax)	(35)	(11)	226.2	66	3	@
Net profit	946	939	0.8	3,871	3,782	2.4
<i>(exclude one-off tax credit and Trustwave)</i>	958	939	2.0	3,898	3,743	4.1
Depreciation as % of operating revenue	12%	11%		11%	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 SEGMENTS

The Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life, to better serve the evolving needs of its customers and to capture growth opportunities globally.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, mainly, AIS in Thailand, Airtel in India, Africa and South Asia, Globe in the Philippines, and Telkomsel in Indonesia. It focuses on driving greater value and performance from the core carriage business including mobile, pay TV, fixed broadband and voice, as well as equipment sales.

Group Enterprise comprises the business groups across Singapore, Australia, U.S. and the region, and focuses on growing the Group's position in the enterprise markets. Key services include mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT and professional consulting.

Group Digital Life ("GDL") focuses on using the latest internet technologies and assets of the Group operating companies to develop new revenue and growth engines by entering adjacent businesses where it has a competitive advantage. From 1 April 2015, GDL had sharpened its strategy to focus on three key businesses in digital life – digital marketing (Amobee), regional premium video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel's digital innovation engine through Innov8.

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		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Operating revenue						
Group Consumer	2,295	2,629	-12.7	10,110	10,593	-4.6
Group Enterprise	1,679	1,606	4.6	6,397	6,318	1.3
Core Business	3,974	4,235	-6.2	16,507	16,910	-2.4
Group Digital Life	120	104	15.2	454	313	45.3
Group	4,094	4,339	-5.6	16,961	17,223	-1.5
<i>(ex-mobile termination rates decline)</i>	4,282	4,339	-1.3	17,149	17,223	-0.4
EBITDA						
Group Consumer	846	858	-1.4	3,266	3,304	-1.2
Group Enterprise	475	497	-4.5	1,959	2,039	-3.9
Core Business	1,321	1,355	-2.5	5,225	5,343	-2.2
Group Digital Life	(39)	(62)	-37.9	(137)	(180)	-24.0
Corporate	(20)	(19)	6.9	(76)	(73)	4.3
Group	1,262	1,274	-0.9	5,013	5,091	-1.5
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	481	481	**	1,811	1,816	-0.3
Group Enterprise	313	341	-8.3	1,337	1,426	-6.2
Core Business	794	822	-3.5	3,148	3,242	-2.9
Group Digital Life	(57)	(71)	-19.7	(206)	(237)	-13.4
Corporate	(21)	(20)	2.0	(79)	(75)	4.9
Group	717	731	-2.0	2,864	2,929	-2.2

SECTION 1 : GROUP

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	Restated			Restated		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Group Enterprise (excluding fibre rollout and maintenance and Trustwave)						
Operating revenue	1,606	1,606	**	6,250	6,237	0.2
EBITDA	472	497	-5.0	1,954	1,971	-0.9
EBIT	319	341	-6.3	1,353	1,359	-0.5

Note:

From 1 April 2015, certain businesses which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

FINAL DIVIDEND

The Directors have proposed a final ordinary dividend of 10.7 cents per share (FY2015: 10.7 cents per share), totalling approximately S\$1.71 billion in respect of the current financial year ended 31 March 2016.

Together with the interim dividend of 6.8 cents per share amounting to S\$1.08 billion paid in the quarter, the total amount of ordinary dividends in respect of the current financial year ended 31 March 2016 would be 17.5 cents per share (FY2015: 17.5 cents per share), totalling approximately S\$2.79 billion. This represented a payout ratio of 73% of underlying net profit.

REVIEW OF GROUP OPERATING PERFORMANCE**For The Fourth Quarter Ended 31 March 2016**

In constant currency terms, underlying net profit increased strongly by 6.4% driven mainly by growth from the associates. With 5% depreciation of the Australian Dollar and weaker regional currencies, the Group's underlying net profit grew 3.3%.

Operating revenue declined 5.6% impacted by the decline in mobile termination rates in Australia from 1 January 2016 ("**rates change**") and the weaker Australian Dollar. Despite lower revenue, EBITDA was stable as the decline in mobile service revenue was mitigated by lower traffic expenses in Australia. In constant currency terms, operating revenue declined by 3.1% (up 1.5% excluding the rates change) while EBITDA grew 2.1%.

Group Consumer contributed 56% (Q4 FY2015: 61%) and 67% (Q4 FY2015: 67%) to the Group's operating revenue and EBITDA respectively. Operating revenue and EBITDA declined by 13% and 1.4% respectively. In constant currency terms, operating revenue decreased by 9.3% (down 1.8% excluding the rates change), while EBITDA and EBIT increased by 2.6% and 3.9% respectively. Singapore Consumer revenue fell 8.0% with lower Equipment sales and International Telephone revenue. Including trade foreign exchange losses in the quarter, EBITDA decreased 2.3%. Australia Consumer revenue declined 9.7%, and would be stable excluding the rates change. EBITDA grew 3.5% with increased penetration of device repayment plans.

SECTION 1 : GROUP

Group Enterprise contributed 41% (Q4 FY2015: 37%) and 38% (Q4 FY2015: 39%) to the Group's operating revenue and EBITDA respectively. Singtel continued to strengthen its market leadership and enhanced its capabilities in cyber security, cloud computing and smart nation solutions with a strong operating revenue growth of 4.6%. In constant currency terms and excluding the contributions from fibre rollout and Trustwave, operating revenue would have increased by 1.3% driven by stronger ICT, and Data and Internet revenues, while EBITDA declined 4.1% with higher staff costs and trade foreign exchange losses. Trustwave contributed S\$73 million in operating revenue, S\$2 million in EBITDA and S\$12 million in net loss (including acquisition financing cost) for the quarter.

GDL contributed 3% (Q4 FY2015: 2%) to the Group's operating revenue. Operating revenue was up strongly by 15% on higher advertising revenue mainly from mobile, video and social. Negative EBITDA fell 38%, reflecting increased scale at Amobee and business rationalisation.

Depreciation and amortisation charges were stable but would have increased 3.8% in constant currency terms. The higher depreciation was due to increased investments in mobile networks including LTE deployment in Singapore and Australia, while amortisation charges increased due mainly to acquired intangibles of Trustwave and investments in spectrums.

EBIT (before share of results of associates) declined 2.0% at S\$717 million.

The Group and its regional mobile associates continued to record strong customer growth. The combined mobile customer base reached 605 million as at 31 March 2016, up 1.4% from a quarter ago.

The associates' post-tax profit contributions increased by 16% mainly on lower fair value losses at Airtel as well as higher profits at Telkomsel and NetLink Trust.

Net finance expense was up significantly from S\$52 million to S\$91 million this quarter mainly due to higher interest expense on increased borrowings (see Page 15), foreign exchange losses on revaluation of fixed deposits from a weaker US Dollar and fair value losses from mark-to-market valuation of interest rate swaps.

With higher contributions from associates, underlying net profit grew 3.3% in the quarter.

The net exceptional loss of S\$35 million in the quarter comprised mainly a translation loss of Pacific Bangladesh Telecom Limited (45%-owned joint venture) reclassified from equity to income statement on loss of joint control, and various one-off losses partly offset by divestment gains (see Page 16).

Net profit was stable after including the net exceptional loss.

In constant currency terms and excluding Trustwave, underlying net profit would have increased by 7.7% while net profit would have grown 4.9%.

Free cash flow in the quarter was S\$681 million, down 29% from the last corresponding quarter mainly on higher vendor payments and increased investments in mobile acquisitions and retentions in Australia (see Page 20).

The Group continued to maintain a healthy capital structure. As at 31 March 2016, net debt gearing ratio was 26.8%, up from 24.3% a year ago following the acquisition of Trustwave.

SECTION 1 : GROUP

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. Hence, the Group is exposed to currency movements. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for three-quarters of both the Group's proportionate revenue and EBITDA.

For The Year Ended 31 March 2016

For the year ended 31 March 2016, the Group performed in line with the guidance issued during the year.

Operating revenue and EBITDA for the year declined by 1.5% as the Australian Dollar fell a steep 9% against the Singapore Dollar. In constant currency terms, operating revenue and EBITDA would have increased by 4.1%.

Operating revenue for Group Consumer was down 4.6% and EBITDA declined 1.2%. In constant currency terms, operating revenue grew 3.0% and EBITDA rose strongly by 6.5% on growth across Singapore and Australia.

Trustwave contributed S\$147 million in operating revenue, S\$5 million in EBITDA and S\$27 million in net loss (including acquisition financing cost) since its consolidation from 30 September 2015. Excluding Trustwave and contributions from fibre rollout, operating revenue and EBITDA for Group Enterprise were both stable. In constant currency terms, operating revenue grew 2.8% while EBITDA remained stable. The results reflected a strong ICT performance partially offset by keen competition in the core carriage business.

Operating revenue for GDL grew 45%, and negative EBITDA fell 24% with increased scale and business rationalisation partly offset by HOOQ's start-up losses.

With 10% increase in associates' post-tax profit contributions mainly at Telkomsel and NetLink Trust, underlying net profit was stable at S\$3.81 billion. In constant currency terms, underlying net profit would have grown by 4.0%. Excluding Trustwave and the one-off tax credit last year, underlying net profit was up 2.4%, and would have increased 5.8% in constant currency terms.

The Group's net exceptional gain of S\$66 million for the year mainly comprised gains on sale of venture investments of S\$96 million and share of Airtel's net exceptional gains of S\$65 million partially offset by currency translation losses and various charges.

Including exceptional items, net profit for the year increased by 2.4% to S\$3.87 billion, and in constant currency terms would have increased by 5.5%. Excluding Trustwave and the one-off tax credit last year, net profit was up 4.1%, and would have increased 7.3% in constant currency terms.

The Group's free cash flow declined 23% to S\$2.72 billion mainly on higher vendor payments, increased investments in mobile acquisitions and retentions in Australia, as well as approximately S\$280 million received from OpenNet last year on fibre rollout completion.

SECTION 1 : GROUP**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	
Operating revenue	4,094	4,474	-8.5
EBITDA	1,262	1,220	3.4
EBITDA margin	30.8%	27.3%	
Share of associates' pre-tax profits	721	698	3.2
EBIT	1,437	1,381	4.1
Profit before exceptional items and tax	1,346	1,319	2.1
Underlying net profit	981	955	2.7
Exceptional items (post-tax)	(35)	(1)	@
Net profit	946	954	-0.8
Free cash flow	681	585	16.5

The lower operating revenue reflected seasonally lower Equipment sales and lower mobile service revenue in Australia. EBITDA, however, grew 3.4% from lower customer acquisition and retention costs, and traffic expenses. With higher associates' contributions, underlying net profit rose 2.7% from a quarter ago. Including the net exceptional loss, net profit was stable.

The increase in free cash flow was mainly due to improvements in working capital.

OUTLOOK FOR THE FINANCIAL YEAR ENDING 31 MARCH 2017**Macro-economic Environment³**

The Singapore economy is forecasted to grow between 1.0% and 3.0% in 2016. The Australia GDP is projected to grow by 2.5% to 3.5% for the fiscal year ending June 2017.

India, Indonesia and the Philippines are expected to register economic growth of between 5% and 8% and the Thai economy is anticipated to grow by 2%. Airtel's key countries in Africa are expected to deliver GDP growth of between 4% and 9%.

³ Singapore's GDP is based on Ministry Of Trade and Finance (Feb 2016); Australia's GDP is based on Reserve Bank Of Australia (May 2016) and the rest are based on World Bank (Jan 2016).

SECTION 1 : GROUP

Strategic focus

Singtel continues to re-engineer its core business for profitable growth. It will continue to focus on addressing consumers' changing consumption in media and communications, and working with enterprises to harness ICT for productivity and growth.

Group Digital Life is focused on three key areas - digital marketing, mobile video and data analytics, to deliver revenue growth for the Group.

To successfully execute its strategies, Singtel continues to make significant investments in networks, spectrum, systems, technology and talent.

Singtel also continues to review opportunities for upstakes in the regional mobile associates.

Singtel has given an undertaking to IDA to divest its stake in NetLink Trust to less than 25% ownership by 22 April 2018.

Currency

The guidance for FY 2017 is based on the following average exchange rates during FY 2016.

Australian Dollar	AUD 1	SGD 1.0201
Indonesian Rupiah	SGD 1	IDR 9,803
Indian Rupee	SGD 1	INR 47.2
Thailand Baht	SGD 1	THB 25.2
Philippine Peso	SGD 1	PHP 33.4
United States Dollar	USD 1	SGD 1.3859

The Group's consolidated results and cash flow may be impacted by material exchange rate movements in the Australian Dollar, United States Dollar and regional currencies.

Group

Excluding acquisitions, consolidated revenue and EBITDA for the Group are both expected to grow by low single digit ⁴.

Capital expenditure is expected to approximate S\$2.8 billion (FY2016: S\$2.4 billion), with A\$1.8 billion for Optus and S\$1.0 billion for the rest of Singtel Group. This reflects the Group's multi-year investments in a new data centre in Singapore, continued strategic investments in mobile network, particularly in Australia, and new unified billing and customer care systems that incorporate advanced analytics to drive better customer experience.

Cash capital expenditure is expected to be S\$2.4 billion.

Free cash flow, excluding associates' dividends, is expected to be around S\$1.5 billion.

Ordinary dividends from the regional mobile associates are expected to be at approximately S\$1.2 billion.

⁴ Includes the impact of decline in mobile termination rates in Australia from 1 January 2016.

SECTION 1 : GROUP

Key Business Units

Core Business (comprising Group Consumer and Group Enterprise)

In **Group Consumer**, Optus continues to grow mobile data services, riding on an extensive suite of digital products and content partnerships to meet consumers' growing appetite for online entertainment. This is underpinned by significant network investments for a deeper coverage and improved data experience.

The impact of Australia mobile termination rates decline is approximately A\$800 million for the next financial year (FY2016: A\$186 million). However, it is not expected to have a material impact on Optus' EBITDA.

In Singapore, Singtel will continue to strengthen its leadership position in both mobile and home by delivering the best integrated network experience and offering exciting and innovative products and services.

Group Enterprise aims to drive profitable growth by leveraging on its enhanced capabilities in cyber security, cloud computing and smart cities solutions to grow new revenues.

- Both operating revenue and EBITDA from the Core Business are expected to increase by low single digit.
- Mobile service revenue from Australia is expected to decline by low teens due mainly to the decline in mobile termination rates.
- Mobile Communications revenue from Singapore is expected to be stable.
- Group ICT revenue (comprising Managed Services and Business Solutions) is expected to increase by low teens. Cyber Security revenue (classified under Managed Services), including a full year's contribution from Trustwave, is expected to be S\$450-550 million.

Group Digital Life

Group Digital Life continues to drive scale and returns. This will be led by Amobee in the digital marketing space. HOOQ will enhance its suite of content offerings and distribution. DataSpark will deliver analytics solutions focused on geospatial insights.

- Revenue from Amobee Group is projected to grow by mid single digit.
- Group Digital Life is expected to record negative EBITDA of S\$150-S\$180 million as HOOQ continues to ramp up its operations.

Dividend policy

Singtel's dividend payout ratio is between 60% and 75% of underlying net profit. The dividend payout is influenced by the Group's cash flow generation, including dividends from associates.

The Group remains committed to an optimal capital structure and investment grade credit ratings, while maintaining financial flexibility to pursue growth.

SECTION 1 : GROUP

OPERATING REVENUE

By Products and Services	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m	2016 S\$ m	2015 S\$ m		
Mobile communications	1,492	1,763	-15.4	6,714	7,242	-7.3
Data and Internet ⁽¹⁾	794	789	0.7	3,138	3,177	-1.2
<i>Managed services</i> ⁽²⁾	510	501	1.7	1,866	1,801	3.6
<i>Business solutions</i>	174	163	6.9	637	603	5.6
Infocomm Technology ("ICT")	683	664	3.0	2,503	2,404	4.1
Sale of equipment	394	440	-10.5	1,802	1,555	15.9
National telephone ⁽¹⁾	273	298	-8.4	1,128	1,280	-11.8
International telephone	123	148	-16.6	542	628	-13.7
Digital businesses ⁽³⁾	126	110	14.6	476	333	42.9
Pay television	70	70	-0.1	285	302	-5.6
Others	66	58	13.7	226	222	1.8
	4,021	4,339	-7.3	16,814	17,142	-1.9
Trustwave	73	-	nm	147	-	nm
Fibre rollout and maintenance ⁽⁴⁾	-	-	-	-	81	nm
Total	4,094	4,339	-5.6	16,961	17,223	-1.5
<i>(ex-mobile termination rates decline)</i>	4,282	4,339	-1.3	17,149	17,223	-0.4
Operating revenue	4,094	4,339	-5.6	16,961	17,223	-1.5
Associates' proportionate revenue ⁽⁵⁾	3,430	3,231	6.2	13,286	12,322	7.8
Group's proportionate revenue	7,523	7,570	-0.6	30,248	29,545	2.4

Notes:

- (1) Comparatives have been restated to be consistent with the current periods.
- (2) Included Cyber Security revenue of S\$107 million (Q4 FY2015: S\$31 million) for the current quarter and S\$258 million (FY 2015: S\$86 million) for the year ended 31 March 2016.
- (3) Comprise revenues mainly from Amobee, HOOQ, AMPed, Dash, inSing.com, and Hungry-Go-Where.
- (4) Fibre rollout and maintenance revenue ceased to be recognised with effect from 1 October 2014 as Singtel relinquished its role as OpenNet's key subcontractor.
- (5) 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		Year	
	31 Mar		31 Mar	
	2016 %	2015 %	2016 %	2015 %
Mobile communications	36.4	40.6	39.6	42.1
Data and Internet	19.4	18.2	18.5	18.4
<i>Managed services</i>	12.4	11.5	11.0	10.5
<i>Business solutions</i>	4.2	3.7	3.8	3.5
Infocomm Technology ("ICT")	16.7	15.3	14.8	14.0
Sale of equipment	9.6	10.1	10.6	9.0
National telephone	6.7	6.9	6.7	7.4
International telephone	3.0	3.4	3.2	3.6
Digital businesses	3.1	2.5	2.8	1.9
Pay television	1.7	1.6	1.7	1.8
Others	1.6	1.3	1.3	1.3
	98.2	100.0	99.1	99.5
Trustwave	1.8	-	0.9	-
Fibre rollout and maintenance	-	-	-	0.5
Total	100.0	100.0	100.0	100.0

SECTION 1 : GROUP

Operating revenue of the Group fell 5.6% and in constant currency terms, would have declined by 3.1% (up 1.5% excluding the rates change).

Mobile Communications revenue declined by 12% (down 1.2% excluding the rates change) in constant currency terms. Strong data growth continued to be offset by lower roaming, SMS and voice revenues.

The decline in Equipment sales was attributable to lower handset sales volume.

Revenue from ICT was higher with increased application development and maintenance projects, and growth in infrastructure and services in Singapore, partly offset by decline in Australia due to one-off project related equipment sales in the last corresponding quarter.

Data and Internet revenue increased 3.3% in constant currency terms due to increased demand for international circuits and bandwidth in Singapore.

Including the proportionate share of operating revenue from the associates, the Group's enlarged revenue was stable at S\$7.52 billion, with strong revenue growth at Telkomsel, Airtel and Globe offset by lower revenue at Optus.

SECTION 1 : GROUP**OPERATING EXPENSES (Before Depreciation and Amortisation)**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Cost of sales ⁽¹⁾	954	906	5.2	3,664	3,157	16.1
Selling & administrative ⁽¹⁾	788	873	-9.7	3,388	3,759	-9.9
Staff costs ⁽¹⁾	616	625	-1.5	2,457	2,467	-0.4
Traffic expenses	404	618	-34.6	2,212	2,548	-13.2
Repair & maintenance	102	93	9.9	359	339	5.7
Others	1	4	-81.6	16	12	34.4
Total	2,865	3,119	-8.2	12,097	12,284	-1.5

As a percentage of operating revenue	Quarter		Year	
	31 Mar		31 Mar	
	2016 %	2015 %	2016 %	2015 %
Cost of sales ⁽¹⁾	23.3%	20.9%	21.6%	18.3%
Selling & administrative ⁽¹⁾	19.3%	20.1%	20.0%	21.8%
Staff costs ⁽¹⁾	15.1%	14.4%	14.5%	14.3%
Traffic expenses	9.9%	14.2%	13.0%	14.8%
Repair & maintenance	2.5%	2.1%	2.1%	2.0%
Others	**	0.1%	0.1%	0.1%
Total	70.1%	71.8%	71.3%	71.3%

Note:

(1) Comparatives have been restated to be consistent with the current periods.

Total operating expenses fell 8.2%, and would have declined 5.8% in constant currency terms. The decline was mainly due to lower traffic expenses in Australia from the rates change.

Cost of sales increased with higher ICT and Digital revenues partly offset by lower Equipment sales.

The decline in Selling and administrative expenses was mainly due to lower customer acquisition and retention costs across Singapore and Australia.

SECTION 1 : GROUP

STAFF COSTS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Staff costs						
Optus ⁽¹⁾	251	277	-9.4	1,099	1,194	-8.0
Singtel and other subsidiaries	310	308	0.6	1,174	1,167	0.6
Amobee ⁽²⁾	560	584	-4.1	2,273	2,361	-3.7
	24	41	-41.6	120	106	13.1
Trustwave	584	625	-6.6	2,393	2,467	-3.0
	32	-	nm	64	-	nm
Group ⁽¹⁾	616	625	-1.5	2,457	2,467	-0.4

	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Average number of staff						
Optus	9,179	9,229	9,156	9,231	9,105	1.4
Amobee ⁽²⁾	542	543	540	543	436	24.5
Singtel and other subsidiaries	14,528	14,422	13,694	14,322	13,426	6.7
Trustwave	24,249	24,194	23,390	24,096	22,967	4.9
	1,344	1,325	-	1,327	-	nm
Group ⁽³⁾	25,593	25,519	23,390	25,423	22,967	10.7
As at end of period						
Optus	9,128	9,235	9,220	9,128	9,220	-1.0
Amobee ⁽²⁾	544	533	539	544	539	0.9
Singtel and other subsidiaries	14,541	14,454	13,787	14,541	13,787	5.5
Trustwave	24,213	24,222	23,546	24,213	23,546	2.8
	1,347	1,337	-	1,347	-	nm
Group ⁽³⁾	25,560	25,559	23,546	25,560	23,546	8.6

Notes:

(1) Comparatives have been restated to be consistent with the current periods.

(2) Including Kontera and Adconion which were acquired in July and August 2014 respectively.

(3) Headcount for staff deployed in capital projects are included in the table above, though the related staff costs were capitalised as part of the cost of property, plant and equipment.

Excluding Trustwave, the Group's staff costs fell 6.6%, and would have declined by 4.5% in constant currency terms. The decrease was due mainly to write-back of staff cost accruals in Australia this quarter, and additional incentive accruals made by Amobee in March 2015 quarter.

SECTION 1 : GROUP

As of 31 March 2016, Group headcount increased 2,014 or 8.6% from a year ago to 25,560. The net increase was mainly due to staff additions from the acquisition of Trustwave, increased IT hirings to support ICT projects and conversions of some contract staff to permanent staff in Singapore.

NET FINANCE EXPENSE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Net interest expense						
- Interest income	3	2	35.0	10	11	-7.3
- Interest expense	(95)	(76)	25.0	(348)	(298)	16.9
	(92)	(74)	24.7	(338)	(287)	17.8
- Net interest income from NetLink Trust ⁽¹⁾	7	7	**	29	24	21.8
	(85)	(66)	27.4	(309)	(263)	17.5
Other finance (expense)/ income						
- Dividend income from Southern Cross/ PCHL	13	6	127.3	43	42	3.4
- Investment income ⁽²⁾	1	1	-12.5	2	5	-53.2
- Net foreign exchange (loss)/ gain (non-trade)	(7)	9	nm	2	8	-74.4
- Fair value adjustments ⁽³⁾	(13)	(1)	@	(3)	(8)	-60.3
	(7)	15	nm	44	47	-5.4
Net finance expense	(91)	(52)	76.4	(265)	(216)	22.4

Notes:

- (1) Comprise interest earned on the unitholder's loan to NetLink Trust, net of the finance lease expenses on the exchange buildings leased from NetLink Trust.
- (2) Comprise mainly dividend income from Available-For-Sale investments.
- (3) Comprise mainly adjustments for hedging instruments measured at fair values under *FRS 39 Financial Instruments: Recognition and Measurement*.

Interest expense increased by 25% from higher average borrowings as well as an increase in interest rates.

Net foreign exchange loss arose mainly from revaluation of fixed deposits on a weaker US Dollar from a quarter ago, compared to a net exchange gain due to a stronger US Dollar in the March 2015 quarter.

Net fair value loss of S\$13 million in the quarter arose from mark-to-market valuation of interest rate swaps.

SECTION 1 : GROUP

EXCEPTIONAL ITEMS ⁽¹⁾

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Exceptional (losses)/ gains						
Net gains on sale/ liquidation of venture investments	47	12	278.0	96	29	228.4
Share of SingPost's divestment gains on investments	25	-	nm	25	-	nm
Share of Airtel's one-off gains/ (losses)	-	-	-	65	(17)	nm
Reclassification of cumulative translation losses from equity to income statement on loss of joint control	(56)	-	nm	(56)	-	nm
Net expense from Optus' legal disputes	(26)	-	nm	(26)	-	nm
Share of AIS' handset subsidy costs	(25)	-	nm	(25)	-	nm
Impairment of Pixable	-	-	-	(30)	-	nm
Reversal of impairment provision of APT Satellite	-	-	-	32	-	nm
Impairment of other non-current assets	-	(17)	nm	-	(17)	nm
Dilution gain on SingPost	-	-	-	-	65	nm
Impairment of venture investments	*	(4)	nm	(12)	(20)	-43.1
Staff restructuring costs	(1)	(2)	-17.6	(8)	(30)	-75.2
Share of Globe's accelerated depreciation	-	-	-	-	(11)	nm
Others	2	*	nm	4	4	11.4
Group net exceptional (losses)/ gains (post-tax)	(35)	(11)	226.2	66	3	@

Note:

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

During the quarter, the Group recorded a net gain on disposal of Innov8's venture investments of S\$47 million and share of Singapore Post's divestment gains on investments of S\$25 million. In addition, the Group reclassified the cumulative amount of translation losses of S\$56 million relating to Pacific Bangladesh Telecom Limited, a 45%-owned joint venture, from currency translation reserve in equity to income statement upon loss of joint control. Other exceptional items included a net expense of S\$26 million on settlement of legal disputes in Australia and share of AIS' handset subsidy costs of S\$25 million relating to migration of 2G handset customers to 3G.

SECTION 1 : GROUP**TAX EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Income tax expense						
Optus	107	114	-6.1	396	417	-5.0
Singtel and other subsidiaries	47	42	13.7	196	183	7.3
Tax expense of Singtel and subsidiaries (a)	154	156	-0.8	592	599	-1.3
Share of associates' tax expense (b)	193	191	1.0	861	816	5.5
Withholding and dividend distribution taxes on associates' dividend income ⁽¹⁾	24	30	-22.7	145	133	8.5
	371	377	-1.6	1,597	1,549	3.1
Tax credit on assets transferred to an associate	-	-	-	-	(39)	nm
Total	371	377	-1.6	1,597	1,510	5.8
Profit before exceptional items and tax	1,346	1,325	1.6	5,390	5,292	1.9
Exclude:						
Share of associates' pre-tax profits	(721)	(646)	11.6	(2,791)	(2,579)	8.2
Adjusted pre-tax profit (c)	625	680	-8.0	2,599	2,713	-4.2
Effective tax rate of Singtel and subsidiaries (a)/(c)	24.7%	22.9%		22.8%	22.1%	
Share of associates' pre-tax profits (d)	721	646	11.6	2,791	2,579	8.2
Effective tax rate of associates (b)/(d)	26.8%	29.6%		30.8%	31.6%	

Note:

(1) Withholding and dividend distribution taxes are deducted at source when dividends are remitted by the overseas associates. For accounting purposes, the dividend income and related withholding or dividend distribution 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 Group's tax expense decreased 1.6% despite higher earnings attributable mainly to lower effective tax rate at AIS as it recognised a deferred tax asset on past tax losses.

SECTION 1 : GROUP**SUMMARY STATEMENTS OF FINANCIAL POSITION**

	As at		
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	31 Mar 2015 S\$ m
Current assets (excluding cash)	4,704	4,607	4,205
Cash and bank balances	462	686	563
Non-current assets	38,400	38,584	37,299
Total assets	43,566	43,877	42,067
Current liabilities	6,540	6,794	5,757
Non-current liabilities	12,023	12,540	11,542
Total liabilities	18,563	19,335	17,299
Net assets	25,003	24,542	24,768
Share capital	2,634	2,634	2,634
Retained earnings	28,457	27,607	27,471
Currency translation reserves	(4,940)	(4,635)	(4,213)
Other reserves	(1,161)	(1,075)	(1,159)
Equity attributable to shareholders	24,989	24,532	24,733
Minority interest and other reserve	13	11	35
	25,003	24,542	24,768

The Group is in a strong financial position as at 31 March 2016. Singtel is rated Aa3 by Moody's and A+ by Standard & Poor's.

As at 31 March 2016, the currency translation reserve increased by S\$305 million from a quarter ago mainly from translation loss of net investment in Airtel due to a weaker Indian Rupee, partially offset by the reclassification of cumulative translation losses of Pacific Bangladesh Telecom Limited (45%-owned joint venture) to the income statement.

SECTION 1 : GROUP**LIQUIDITY AND GEARING**

	As at		
	31 Mar	31 Dec	31 Mar
	2016	2015	2015
	S\$ m	S\$ m	S\$ m
Gross debt			
Current debt	686	342	174
Non-current debt	9,255	9,834	8,804
Gross debt as reported in statement of financial position	9,941	10,176	8,979
Related net hedging asset ⁽¹⁾	(337)	(574)	(453)
Hedged gross debt	9,604	9,602	8,526
Less: Cash and bank balances	(462)	(686)	(563)
Net debt	9,142	8,916	7,963
Gross debt gearing ratio ⁽²⁾	27.8%	28.1%	25.6%
Net debt gearing ratio	26.8%	26.6%	24.3%

Notes:

(1) The net hedging asset 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 was stable at S\$9.60 billion from a quarter ago.

With the acquisition of Trustwave, net debt increased by S\$1.2 billion from a year ago to S\$9.14 billion as at 31 March 2016.

SECTION 1 : GROUP

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2016 S\$ m	2015 S\$ m	2015 S\$ m	2016 S\$ m	2015 S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	1,346	1,325	1,319	5,390	5,292	1.9
Non-cash items	(108)	(51)	(92)	(390)	(207)	88.2
Operating cash flow before working capital changes	1,238	1,275	1,226	5,000	5,085	-1.7
Changes in operating assets and liabilities	12	225	(312)	(1,042)	86	nm
	1,250	1,500	915	3,958	5,171	-23.4
Cash paid to employees under performance share plans	-	-	-	(3)	(1)	181.8
Tax paid on operating activities	(102)	(84)	(110)	(525)	(483)	8.7
Operating cash flow before dividends from associates	1,148	1,416	804	3,430	4,687	-26.8
Dividends received from associates	66	122	226	1,351	1,215	11.2
Withholding tax paid on dividends received	(6)	(13)	(24)	(133)	(115)	15.5
	1,208	1,525	1,007	4,648	5,787	-19.7
Net cash outflow for investing activities						
Accrued capital expenditure	(1,046)	(933)	(550)	(2,435)	(2,399)	1.5
Changes in creditors' balances	519	372	128	505	161	213.3
Cash capital expenditure	(527)	(561)	(422)	(1,930)	(2,238)	-13.7
Net investment in associates	(215)	-	*	(213)	(1)	@
Loan repaid by associates	510	-	-	510	-	nm
Payment for purchase of spectrum	-	-	-	(72)	(865)	-91.7
Payment for purchase of subsidiaries, net of cash acquired	-	(7)	(1)	(1,059)	(450)	135.7
Investment in venture investments	(13)	*	(2)	(39)	(23)	67.1
Proceeds from disposal of venture investments	5	14	24	81	75	8.4
Proceeds from disposal of property, plant and equipment	*	5	1	6	15	-62.5
Withholding tax paid on interest received on inter-company loans	(14)	(15)	-	(27)	(32)	-14.6
Others	9	(24)	(9)	2	(39)	nm
	(244)	(587)	(408)	(2,740)	(3,557)	-23.0
Net cash outflow for financing activities						
Net increase/ (decrease) in borrowings	(11)	136	(538)	1,129	737	53.1
Net interest paid on borrowings and swaps	(80)	(68)	(103)	(336)	(307)	9.2
Final dividend paid to shareholders	-	-	-	(1,705)	(1,594)	7.0
Interim dividend paid to shareholders	(1,084)	(1,084)	-	(1,084)	(1,084)	**
Purchase of performance shares	(6)	(13)	(4)	(44)	(55)	-19.4
Others	1	*	(5)	(3)	(8)	-60.2
	(1,181)	(1,029)	(649)	(2,044)	(2,311)	-11.6
Net decrease in cash and cash equivalents	(216)	(91)	(50)	(136)	(81)	67.9
Exchange effects on cash and cash equivalents	(8)	24	3	35	21	64.2
Group cash and cash equivalents at beginning	686	629	733	563	623	-9.6
Group cash and cash equivalents at end	462	563	686	462	563	-17.9
Group free cash flow						
Singapore	253	428	231	869	1,379	-37.0
Optus	368	428	151	631	1,070	-41.0
Group free cash flow (before associates' dividends)	621	855	383	1,500	2,449	-38.8
Dividends received from associates (net of withholding tax)	60	109	202	1,218	1,100	10.7
Group free cash flow	681	964	585	2,718	3,549	-23.4
Optus free cash flow (in A\$)	359	405	147	617	976	-36.8
Cash capex to operating revenue	13%	13%	10%	11%	13%	

SECTION 1 : GROUP

Net cash inflow from operating activities (before associates' dividend receipts) for the quarter fell 19% to S\$1.15 billion. The decline was mainly due to higher vendor payments, increased investments in mobile customer acquisitions and retentions in Australia and higher cash taxes. Gross dividends from the associates declined as Telkomsel paid a one-off interim dividend in the March quarter last year. Consequently, total cash flow from operations declined 21% to S\$1.21 billion.

Compared to a quarter ago, cash flow from operating activities increased 20% due to positive movements in working capital.

Net cash outflow for investing activities was S\$244 million. Cash capital expenditure decreased 6.0% to S\$527 million. The expenditure comprised S\$305 million for Singapore and S\$222 million (A\$219 million) for Australia. In Singapore, major capital investments in the quarter included S\$119 million for fixed and data infrastructure and S\$66 million each for mobile networks and information systems. In Australia, capital investments in mobile networks, and fixed and other core infrastructure amounted to A\$67 million and A\$152 million respectively. In the quarter, Singtel received S\$510 million as partial loan repayment from NetLink Trust, as well as paid S\$214 million for Bharti Telecom Limited's rights issue.

The Group's free cash flow declined 29% to S\$681 million mainly on lower operating cash.

Net cash financing outflow of S\$1.18 billion mainly comprised interim dividend payment of S\$1.08 billion in respect of the current financial year and interest payments of S\$80 million.

Overall cash balance decreased S\$224 million from a quarter ago, and the cash balance was S\$462 million as at 31 March 2016.

SINGAPORE REGULATORY UPDATES

Allocation of spectrum for IMT and IMT-Advanced services and options to enhance mobile competition

On 18 February 2016, the IDA issued its decision on the framework for the allocation of spectrum for International Mobile Telecommunications ("IMT") and IMT-Advanced Services.

The framework allocates 235 MHz of spectrum from various bands for the upcoming spectrum allocation exercise, with a 60 MHz bundle of spectrum (900 MHz/2300 MHz) priced at S\$35 million reserved to facilitate the entry of one new Mobile Network Operator ("MNO").

The framework also sets out the proposed reserved prices, spectrum caps, spectrum right durations as well as the rollout obligations for new MNOs.

Revision to Media Market Conduct Code to incorporate consumer protection measures

The MDA has announced its decision to gazette changes to the Media Market Conduct Code to incorporate consumer protection measures. These include options for consumers to exit their Pay TV services without early termination charges under specific circumstances, prohibitions on leveraging Pay TV contracts to impose non Pay TV charges on a customer, requirement to provide consumers with a summary of the price and non-price terms, as well as conditions of Pay TV services.

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 mobile associates in the emerging markets. The results shown in this section are for the consumer businesses across Singapore and Australia only. The results of the regional mobile associates are discussed in **Section 5**.

From 1 April 2015, certain businesses such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2016

- The significant decline in mobile termination rates in Australia with effect from 1 January 2016 and the 5% depreciation of the Australian Dollar have adversely impacted operating revenue.
- Operating revenue at S\$2.30 billion – down 13% (down 5.7% excluding the rates change).
- EBITDA at S\$846 million – down 1.4%.
- EBIT stable at S\$481 million.
- In constant currency terms, operating revenue declined by 9.3% (down 1.8% excluding the rates change), while EBITDA and EBIT increased by 2.6% and 3.9% respectively.

FOR THE YEAR ENDED 31 MARCH 2016

- The Australian Dollar declined by 9% from last year.
- Operating revenue at S\$10.11 billion – down 4.6% (down 2.8% excluding the decline in mobile termination rates in Australia).
- EBITDA at S\$3.27 billion – down 1.2%.
- EBIT stable at S\$1.81 billion.
- In constant currency terms, operating revenue increased by 3.0% (up 4.8% excluding the rates change), while EBITDA and EBIT would have increased by 6.5% and 6.9% respectively.

SECTION 2 : GROUP CONSUMER**GROUP CONSUMER SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Operating revenue	2,295	2,629	-12.7	10,110	10,593	-4.6
Operating expenses	(1,475)	(1,806)	-18.3	(6,970)	(7,400)	-5.8
	820	823	-0.4	3,141	3,192	-1.6
Other income	26	36	-25.8	126	112	12.3
EBITDA	846	858	-1.4	3,266	3,304	-1.2
- margin	36.9%	32.6%		32.3%	31.2%	
Depreciation & amortisation	(365)	(377)	-3.2	(1,455)	(1,489)	-2.2
EBIT	481	481	**	1,811	1,816	-0.3

	Quarter		YOY Change %	Year		YOY Change %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Selling & administrative	544	627	-13.3	2,449	2,838	-13.7
Cost of sales	428	424	1.0	1,818	1,482	22.7
Traffic expenses	231	444	-48.0	1,528	1,841	-17.0
Staff costs	209	240	-12.9	933	1,002	-7.0
Repair & maintenance	57	53	6.6	204	192	6.2
Others	7	18	-62.4	39	46	-13.8
Operating expenses	1,475	1,806	-18.3	6,970	7,400	-5.8

Note:

(1) The above figures include the costs of International Group division which have responsibility over the regional mobile associates.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER OPERATING HIGHLIGHTS

For The Fourth Quarter Ended 31 March 2016

This quarter, the operating revenue of Group Consumer was impacted by significant decline in mobile termination rates in Australia (“**rates change**”) from 1 January 2016, and the 5% depreciation of the Australian Dollar against the Singapore Dollar from the same quarter last year. The rates change, however, has minimal impact on profitability but lifts margins from this quarter.

Australia Consumer contributed 75% (Q4 FY2015: 76%) and 79% (Q4 FY2015: 79%) to the Group Consumer’s operating revenue and EBITDA respectively.

Operating revenue and EBITDA of Group Consumer declined by 13% and 1.4% respectively, while EBIT was stable. In constant currency terms, operating revenue decreased by 9.3% (down 1.8% excluding the rates change), while EBITDA and EBIT increased by 2.6% and 3.9% respectively.

Operating revenue in Singapore declined 8.0% on decreases in Equipment sales and International Telephone. Operating expenses, however, fell 11% on strict cost discipline. With trade foreign exchange losses compared to a gain in the last corresponding quarter, EBITDA was down by 2.3%.

In Australia, operating revenue declined 9.7%. Excluding the rates change, operating revenue would have been stable. EBITDA, however, grew 3.5% with higher penetration of device repayment plans.

For The Year Ended 31 March 2016

For the full year, operating revenue and EBITDA declined by 4.6% and 1.2% respectively, while EBIT was stable, as the Australian Dollar fell a steep 9%. In constant currency terms, operating revenue increased by 3.0% (up 4.8% excluding the rates change), while EBITDA and EBIT increased by 6.5% and 6.9% respectively with strong performances across Singapore and Australia.

SECTION 2 : GROUP CONSUMER**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	
Operating revenue	2,295	2,677	-14.3
Operating expenses	(1,475)	(1,927)	-23.4
EBITDA <i>- margin</i>	846 36.9%	785 29.3%	7.8
Depreciation & amortisation	(365)	(357)	2.1
EBIT	481	428	12.5

The decline in operating revenue reflected seasonally lower Equipment sales and the rates change in Australia. EBITDA and EBIT, however, increased due mainly to lower selling costs in both Singapore and Australia. EBITDA margin increased partly on uplift in Australia due to the rates change which reduced operating revenue but had minimal impact on EBITDA.

SECTION 2 : GROUP CONSUMER**SINGAPORE CONSUMER SUMMARY INCOME STATEMENT**
For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Operating revenue	584	635	-8.0	2,426	2,469	-1.7
Operating expenses	(405)	(458)	-11.4	(1,684)	(1,766)	-4.7
	179	177	0.9	743	703	5.7
Other income ⁽²⁾	3	8	-70.2	32	23	38.4
EBITDA	181	186	-2.3	774	726	6.7
- margin	31.1%	29.3%		31.9%	29.4%	
Depreciation & amortisation	(74)	(68)	8.2	(271)	(254)	6.7
EBIT	108	118	-8.4	504	472	6.7

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Mobile communications	323	322	0.3	1,308	1,287	1.6
Sale of equipment	66	108	-39.5	321	352	-8.8
Fixed broadband	53	52	1.7	212	205	3.3
Residential Pay TV	52	49	5.9	206	203	1.4
International telephone	44	52	-15.3	193	211	-8.9
National telephone	30	31	-4.2	121	127	-5.0
Others ⁽³⁾	17	20	-17.3	66	84	-20.8
Operating revenue	584	635	-8.0	2,426	2,469	-1.7
Selling & administrative	206	211	-2.7	840	866	-3.0
Traffic expenses	67	73	-8.4	267	305	-12.5
Cost of sales	66	106	-37.9	322	340	-5.2
Staff costs	56	58	-3.4	221	229	-3.4
Repair & maintenance	16	14	11.4	54	48	12.5
Others	(5)	(5)	-2.0	(20)	(21)	-6.1
Operating expenses	405	458	-11.4	1,684	1,766	-4.7

Notes:

- (1) The above figures exclude costs of International Group which have responsibility over the regional mobile associates.
- (2) Other income include trade foreign currency exchange differences, rental income, gain or loss on disposal of scrap copper and property, plant and equipment, and other recoveries. The net trade foreign exchange gains amounted to S\$11 million (FY2015: S\$3 million of gains) for the year ended 31 March 2016.
- (3) Other revenue includes digital services, inter-operator tariff discounts, and revenue from mobile network cabling works and projects.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2016

Operating revenue fell 8.0% this quarter primarily driven by decreases in Equipment sales and International Telephone of 40% and 15% respectively. The lower Equipment sales was attributable to lower volume of handset sales due to timing of smartphone launches and slower recontracting activities. The decline in International Telephone was attributable to lower call traffic on continued data substitution.

Mobile Communications revenue, which contributed 55% (Q4 FY2015: 51%) of total operating revenue, was stable at S\$323 million. The growth in data revenue was offset by continued declines in roaming, voice and SMS revenues. After termination of 19,000 inactive lines following rationalisation of certain legacy data only plans, the number of postpaid customers grew by 6,000⁵ in the quarter. With a highly competitive market, the number of prepaid customers declined by 6,000. As at 31 March 2016, more than 60% of the prepaid customers were users of mobile data service, up from 55% a year ago.

During the quarter, Singtel led the market by introducing the double data bundle or DataX2 add-on for postpaid mobile customers who subscribe for new lines or renew their service contracts. Another first-to-market initiative was the launch of Singtel Music service that gives customers the peace of mind to stream and download their favourite songs with zero data charges from certain music apps such as Spotify. Both initiatives are well received by customers.

Consumer Home Services which comprise residential pay TV, fixed broadband and voice revenues was stable. In the quarter, Singtel TV offered up to 9-months' worth of free Netflix subscription to customers who signed up for new or renewed their broadband, mobile or TV services.

Total operating expenses decreased 11% with strict cost discipline. Selling and administrative expenses declined 2.7% mainly due to lower mobile customer acquisition and retention costs on lower connection volumes and increased take-up of SIM only plans. Traffic expenses declined by 8.4% largely due to lower roaming traffic and outpayment rates. The decrease in cost of sales was in line with lower handset sales.

Other income fell due mainly to trade foreign currency loss of S\$2 million (Q4 FY2015: S\$4 million of gain) arising from revaluation of carrier balances and hedges of US Dollar denominated content payables in the quarter.

Consequently, EBITDA declined 2.3%, while EBIT decreased by 8.4% after including higher depreciation charges for certain 2G network assets as Singtel continued to transform its mobile networks.

For The Year Ended 31 March 2016

EBITDA and EBIT each grew 6.7% on strong cost management and higher trade foreign exchange gains. Operating revenue declined 1.7% primarily from lower Equipment sales, International Telephone and National Telephone partially offset by higher Mobile Communications and Fixed Broadband.

⁵ Based on total product view, including Enterprise mobile.

SECTION 2 : GROUP CONSUMER**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	
Operating revenue	584	635	-8.0
Operating expenses	(405)	(468)	-13.5
EBITDA	181	174	4.4
- margin	31.1%	27.4%	
Depreciation & amortisation	(74)	(65)	13.0
EBIT	108	109	-0.8

Despite lower operating revenue mainly from lower Equipment sales and International Telephone, EBITDA grew 4.4% as the preceding quarter recorded seasonally higher selling costs.

SECTION 2 : GROUP CONSUMER

AUSTRALIA CONSUMER SUMMARY INCOME STATEMENTS

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 A\$ m	2015 A\$ m		2016 A\$ m	2015 A\$ m	
Operating revenue	1,689	1,870	-9.7	7,532	7,232	4.2
Operating expenses	(1,050)	(1,257)	-16.4	(5,161)	(4,991)	3.4
	639	613	4.2	2,372	2,241	5.8
Other income	22	25	-11.6	90	78	14.8
EBITDA	661	639	3.5	2,462	2,319	6.1
- margin	39.2%	34.2%		32.7%	32.1%	
Depreciation & amortisation	(287)	(289)	-0.6	(1,160)	(1,098)	5.7
EBIT	374	350	6.9	1,301	1,221	6.5

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 A\$ m	2015 A\$ m		2016 A\$ m	2015 A\$ m	
Incoming	50	242	-79.4	772	943	-18.1
Outgoing	901	911	-1.2	3,664	3,586	2.2
Total Mobile Service	950	1,153	-17.6	4,436	4,529	-2.1
Equipment	287	271	5.7	1,272	920	38.2
Total Mobile Revenue	1,237	1,424	-13.1	5,708	5,449	4.7
Voice ⁽¹⁾	102	108	-5.5	415	453	-8.4
Broadband ⁽¹⁾	120	132	-9.3	502	522	-3.8
Pay TV	25	20	26.6	95	77	23.3
Mass Market Fixed On-net	247	260	-5.0	1,012	1,052	-3.8
Mass Market Fixed Off-net ⁽²⁾	51	26	97.3	164	74	119.7
Total Mass Market Fixed	298	286	4.3	1,176	1,127	4.4
Data & IP	55	56	-0.9	236	237	-0.2
Voice	27	32	-14.9	130	134	-3.2
Satellite	71	72	-1.7	283	285	-0.9
Total Wholesale Fixed	154	160	-4.1	649	656	-1.1
Operating revenue	1,689	1,870	-9.7	7,532	7,232	4.2

Notes:

(1) Comparatives have been restated to be consistent with the current periods.

(2) Included NBN migration and site preparation revenues of A\$20 million (Q4 FY2015: A\$14 million) for the quarter and A\$73 million (FY2015: A\$38 million) for the full year ended 31 March 2016.

SECTION 2 : GROUP CONSUMER

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 A\$ m	2015 A\$ m		2016 A\$ m	2015 A\$ m	
Selling & administrative ⁽¹⁾	332	388	-14.4	1,570	1,743	-9.9
Cost of sales	358	298	20.0	1,467	1,022	43.5
Traffic expenses	162	348	-53.3	1,235	1,367	-9.6
Staff costs ⁽¹⁾	146	164	-11.2	684	671	2.0
Repair & maintenance	40	37	9.8	146	128	14.4
Others	12	21	-45.9	58	60	-3.3
Operating expenses	1,050	1,257	-16.4	5,161	4,991	3.4

Note:

(1) Comparatives have been restated to be consistent with the current periods.

AUSTRALIA CONSUMER OPERATING PERFORMANCE**For The Fourth Quarter Ended 31 March 2016**

Australia Consumer reported a decline in operating revenue of 9.7% this quarter, reflecting the rates change from 1 January 2016⁶. Excluding the rates change, operating revenue was stable.

Outgoing mobile service revenue reduced 1.2% (up 6.3% excluding the impact of device repayment plan credits). The postpaid handset customer base grew 68,000 this quarter (branded handset customer base grew 78,000), excluding the impact of deactivation of wholesale customers during the quarter. The prepaid handset customer base grew 16,000.

Mobile incoming revenue fell 79% and excluding the rates change, incoming service revenue would have declined 3.7% due to lower inbound roaming revenues (partly caused by a change in roaming rate from gross to net basis for major roaming partners) and moderation of SMS usage.

Blended mobile ARPU increased A\$2 or 4.9% year-on-year excluding both the impacts of the rates change and device repayment plan credits.

Building on recent agreements with Cricket Australia, the Australian Olympic and Paralympic Committee, and the English Premier League (EPL), Optus continued to expand its content offerings. Optus has secured the 2018 FIFA World Cup through a sub-license from SBS, and announced a multi-platform content delivery strategy featuring an Australian first 24/7 dedicated football channel.

The number of 4G mobile customers increased by 226,000 this quarter, resulting in the total 4G customer base increasing to 4.62 million at 31 March 2016, up from 4.39 million⁷ a quarter ago.

⁶ Mobile termination rates were reduced from 3.6 cents to 1.7 cents per minute for calls and 7.5 cents to 0.03 cents for SMS.

⁷ Including Enterprise customers, total Optus 4G customers increased from 4.45 million to 4.68 million.

SECTION 2 : GROUP CONSUMER

Optus continued to invest in its mobile networks, reaching 94% of 4G population coverage with 4,850 of 4G sites, of which 3,714 have been upgraded to 700 MHz spectrum, as of 30 April 2016. This quarter, Optus' innovative network development around 4G carrier aggregation technology was acknowledged with the receipt of the 2015 "Market Development" Award from the Global TD-LTE Initiative.

Optus' ongoing network investment program has also resulted in Optus being ranked first in the monthly Netflix Internet Service Provider index for 6 consecutive months, demonstrating its commitment to relentless improvement across both the fixed and mobile networks.

In Mass Market Fixed, operating revenue grew 4.3% with NBN customer growth of 25,000 and increased take-up in Pay TV, partly offset by lower NBN migration payments and lower voice and broadband revenues. Excluding NBN migration and preparation fees, Mass Market Fixed revenue grew 2.4%.

Wholesale fixed revenue declined 4.1% year-on-year driven by wholesalers which used call termination services. The decline was also driven by lower termination rates, and slightly lower satellite revenue. Data and IP revenues remained stable.

Total operating expenses fell 16%. Traffic expenses decreased a significant 53% due to lower domestic interconnect costs from the rates change. Cost of sales increased on higher Equipment sales and increased content costs. The decline in Selling and administrative expenses was mainly due to lower customer acquisition and retention costs as a result of higher penetration of device repayment plans. Staff costs were lower due to write-back of certain staff accruals in the quarter.

Overall EBITDA and EBIT grew 3.5% and 6.9% respectively, with stable depreciation and amortisation expense. EBITDA margin increased to 39.2% in the quarter.

For The Year Ended 31 March 2016

For the full year, operating revenue grew 4.2% (up 6.7% excluding the rates change). With lower customer acquisition and retention costs as a result of increased penetration of device repayment plans, EBITDA and EBIT increased by 6.1% and 6.5% respectively.

SECTION 2 : GROUP CONSUMER**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 A\$ m	31 Dec 2015 A\$ m	
Operating revenue	1,689	2,015	-16.2
Operating expenses	(1,050)	(1,433)	-26.7
EBITDA	661	608	8.8
- margin	39.2%	30.2%	
Depreciation & amortisation	(287)	(288)	-0.2
EBIT	374	320	16.8

Both EBITDA and EBIT improved on lower selling expenses and staff costs.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE

MANAGEMENT DISCUSSION AND ANALYSIS

Group Enterprise provides comprehensive and integrated ICT solutions to enterprise customers in Singapore, Australia, U.S.A, Europe and the region, covering mobile, equipment sales, fixed voice and data, managed services, cloud computing, cyber security, IT services and professional consulting.

From 1 April 2015, Singtel refined the revenue/ cost allocation methodologies between the various business units in Singapore. The comparatives for Group Enterprise have been restated to be consistent with current periods. See **Appendix 5** for more details.

With the integration of NetLink Trust and OpenNet on 1 October 2014, Singtel relinquished its role as the key sub-contractor in respect of fibre rollout and maintenance.

Trustwave, a cyber security company acquired on 1 September 2015, was consolidated with effect from 30 September 2015 under 'Singapore'⁸ segment in this report. Trustwave is a managed cyber security services provider that provides on-demand data security and payment card industry compliance management solutions to businesses and organisations worldwide.

The financial highlights shown below have excluded the results of Trustwave and fibre rollout and maintenance business in order to better reflect the underlying trends of the businesses.

FINANCIAL HIGHLIGHTS FOR THE FOURTH QUARTER ENDED 31 MARCH 2016

- **Operating revenue stable at S\$1.61 billion.**
- **EBITDA at S\$472 million – down 5.0%.**
- **EBIT at S\$319 million – down 6.3%.**
- **In constant currency terms, operating revenue increased 1.3% while EBITDA and EBIT declined 4.1% and 5.8% respectively.**

FOR THE YEAR ENDED 31 MARCH 2016

- **Operating revenue, EBITDA and EBIT stable at S\$6.25 billion, S\$1.95 billion and S\$1.35 billion respectively.**
- **In constant currency terms, operating revenue grew 2.8% while both EBITDA and EBIT were stable.**

⁸ "Singapore" refers to all geographies other than Australia.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE SUMMARY INCOME STATEMENTS
For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Operating revenue	1,679	1,606	4.6	6,397	6,318	1.3
Operating expenses	(1,210)	(1,125)	7.6	(4,467)	(4,316)	3.5
	469	481	-2.6	1,930	2,002	-3.6
Other income ⁽¹⁾	6	16	-62.4	28	37	-22.2
EBITDA	475	497	-4.5	1,959	2,039	-3.9
- margin	28.3%	30.9%		30.6%	32.3%	
Depreciation & amortisation	(162)	(156)	3.9	(622)	(613)	1.4
EBIT	313	341	-8.3	1,337	1,426	-6.2
<u>Excluding Fibre rollout & maintenance</u>						
Operating revenue	1,679	1,606	4.6	6,397	6,237	2.6
EBITDA	475	497	-4.5	1,959	1,971	-0.6
EBIT	313	341	-8.3	1,337	1,359	-1.6
<u>Excluding Trustwave and fibre rollout & maintenance</u>						
Operating revenue	1,606	1,606	**	6,250	6,237	0.2
EBITDA	472	497	-5.0	1,954	1,971	-0.9
EBIT	319	341	-6.3	1,353	1,359	-0.5

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	Restated 2015 S\$ m		2016 S\$ m	Restated 2015 S\$ m	
Cost of sales	409	406	0.9	1,474	1,459	1.1
Staff costs	323	307	5.0	1,250	1,238	1.0
Selling & administrative	199	214	-7.2	801	810	-1.1
Traffic expenses	172	174	-0.8	684	691	-1.1
Repairs, maintenance and other expenses/ recoveries	37	24	55.6	116	105	10.0
Operating expenses	1,140	1,125	1.4	4,325	4,302	0.5
Trustwave	70	-	nm	142	-	nm
Fibre rollout and maintenance	-	-	-	-	13	nm
Total operating expenses	1,210	1,125	7.6	4,467	4,316	3.5

Note:

(1) Other income include trade foreign exchange differences, rental income, gain or loss on disposal of property, plant and equipment, and other recoveries. The net trade foreign exchange loss amounted to S\$8 million (FY2015: S\$6 million of gains) for the year ended 31 March 2016.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE OPERATING HIGHLIGHTS

For the Fourth Quarter Ended 31 March 2016

Singapore⁹ contributed 77% (Q4 FY2015: 73%) and 84% (Q4 FY 2015: 82%) to Group Enterprise's operating revenue and EBITDA respectively. For the current quarter, Trustwave contributed S\$73 million in operating revenue, S\$2 million in EBITDA and S\$7 million in negative EBIT after including the amortisation of acquired intangibles.

Operating revenue grew 4.6%. Excluding Trustwave, operating revenue would have increased 1.3% if the Australian Dollar was held constant against the Singapore Dollar, amid weak market sentiment with the general economic slowdown.

Singapore Enterprise's underlying revenue grew 4.4% mainly driven by higher ICT and Data and Internet revenues. In Australia, Enterprise revenue declined 6.9% due to one-off project revenues recorded in the last corresponding quarter.

The underlying operating expenses increased 1.4%. Staff costs increased 5.0% with higher headcount on increased ICT hirings to deliver revenue growth as well as conversions of certain contract staff to permanent staff. Selling and administrative expenses fell 7.2% due mainly to a weaker Australian Dollar and professional fees for the acquisition of Trustwave accrued in the last corresponding quarter. The decline was partially offset by increased mobile customer acquisition and retention costs on higher connections. Trustwave's operating expenses comprised mainly staff costs, service delivery and other product development costs.

Other income declined due mainly to foreign exchange loss of S\$3 million (Q4 FY2015: S\$5 million of gain) mainly arising from revaluation of intercompany payables denominated in Singapore Dollar by subsidiaries with functional currencies in US Dollar and British Pound, and certain one-off gains recognised in the last corresponding quarter.

Excluding Trustwave, EBITDA and EBIT declined 5.0% and 6.3% respectively and in constant currency terms, EBITDA and EBIT would have declined by 4.1% and 5.8% respectively.

Riding on the continued momentum of cyber security growth and development, Singtel signed a Strategic Development agreement with Inmarsat, a leading provider of global mobile satellite communications services. The agreement aims to develop a Managed Virtual Unified Threat Management (UTM) Service to protect data and reduce cyber risk for maritime companies. Among the features offered are advance firewall, anti-virus, intrusion prevention and web filtering backed by global round-the-clock support.

Singtel also launched a Cyber Security Institute (CSI) to complete the ecosystem in dealing with cyber threats and managing cyber breaches. The CSI will offer an emulated intelligence led resiliency testing environment, deliver large scale exercises on a global basis as well as help build organisation wide cyber resilience programs.

⁹ Includes all geographies other than Australia.

SECTION 3 : GROUP ENTERPRISE

Singtel, Telstra and SubPartners jointly announced that they have entered into a Memorandum of Understanding (MOU) to build a new international submarine cable, APX-West, to connect Perth and Singapore. The new APX-West submarine cable is expected to begin construction by the end of July 2016 and is scheduled to be completed in 2018. Once completed, the new submarine cable will span more than 4,500 kilometres carrying traffic between Australia and Singapore.

For the Year Ended 31 March 2016

Singtel strengthened its market leadership position in international IP VPN services in Asia Pacific excluding Japan, as well as in Singapore domestic data, and enhanced its capabilities in cyber security, cloud computing and smart nation solutions.

Excluding fibre rollout and maintenance, operating revenue grew 2.6% with half year's contribution from Trustwave, partly offset by a weaker Australian Dollar. Trustwave contributed S\$147 million in operating revenue, S\$5 million in EBITDA and S\$16 million in negative EBIT. If the Australian Dollar was held constant against the Singapore Dollar, operating revenue would have increased 5.2% with strong ICT performances across Singapore and Australia, while both EBITDA and EBIT were stable.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	
Operating revenue	1,679	1,677	0.1
Operating expenses	(1,210)	(1,192)	1.5
Other income	6	5	20.4
EBITDA	475	489	-3.0
- margin	28.3%	29.2%	
Depreciation & amortisation	(162)	(161)	0.6
EBIT	313	328	-4.7
<u>Excluding Trustwave</u>			
Operating revenue	1,606	1,602	0.3
EBITDA	472	487	-3.0
EBIT	319	337	-5.4

Operating revenue was stable. Operating expenses increased with project loss provisions in the quarter and write-back of certain staff cost accruals in the preceding quarter. Consequently, EBITDA and EBIT declined 3.0% and 4.7% respectively.

SECTION 3 : GROUP ENTERPRISE

SINGAPORE ENTERPRISE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Managed services ⁽¹⁾	435	330	31.7	1,395	1,190	17.2
Business solutions ⁽²⁾	174	163	6.9	637	603	5.6
ICT	608	493	23.5	2,032	1,794	13.3
Data and Internet ⁽³⁾	349	329	6.1	1,361	1,298	4.8
Mobile communications	197	196	0.6	809	805	0.4
International telephone	47	53	-12.5	201	218	-7.8
National telephone	43	44	-2.3	176	181	-2.5
Sale of equipment	22	25	-10.4	114	100	14.2
Miscellaneous	26	29	-10.5	99	108	-7.7
Fibre rollout & maintenance	-	-	-	-	81	nm
Operating revenue	1,292	1,169	10.6	4,791	4,584	4.5
<i>(ex-Trustwave and fibre rollout & maintenance)</i>	<i>1,220</i>	<i>1,169</i>	<i>4.4</i>	<i>4,644</i>	<i>4,503</i>	<i>3.1</i>
EBITDA	398	408	-2.5	1,652	1,702	-2.9
<i>(ex-Trustwave and fibre rollout & maintenance)</i>	<i>396</i>	<i>408</i>	<i>-3.1</i>	<i>1,647</i>	<i>1,634</i>	<i>0.8</i>

Notes:

- (1) Include Trustwave, facility management, managed and network services, and value-added reselling and services.
- (2) Include applications management services and outsourcing, system integration and business process outsourcing and communication engineering services.
- (3) Include local leased circuits, international leased circuits, fixed broadband, Singtel Internet exchange and satellite.

The underlying operating revenue increased by 4.4% driven mainly by strong growth in ICT and Data and Internet.

Overall ICT revenue increased 24%. Excluding Trustwave, Managed Services revenue grew 9.7% from increased provision of infrastructure services and the continued on-boarding of Singapore government agencies to the G-Cloud platform. This was partly offset by lower project related equipment services revenue. Business Solutions revenue grew 6.9% from increased application development and maintenance projects.

NCS maintained a healthy order book of S\$2.3 billion as at 31 March 2016.

In the quarter, NCS, together with its consortium partner, was appointed by the Land Transport Authority of Singapore (LTA) to implement the next-generation Electronic Road Pricing (ERP) system. The next-generation ERP system makes use of advanced satellite technology for congestion management. It is the first-of-its-kind solution to be implemented nationwide in an urban environment. The project provides NCS with the opportunity to work with LTA and industry partners to catalyse innovation and to build required capabilities for Singapore's Intelligent Transport Industry, in line with Singapore's Smart Nation vision.

SECTION 3 : GROUP ENTERPRISE

Mobile Communications revenue was stable. The growth in revenue resulting from a higher mobile customer base and the increased mix of customers on tiered data and roaming plans was offset by lower domestic and roaming voice, SMS and VAS revenues.

International Telephone revenue declined 13% with lower call usage. The impact of the decline was partially mitigated by lower outpayment costs.

Data and Internet revenue grew 6.1% from increased demand for international circuits and bandwidth.

AUSTRALIA ENTERPRISE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 A\$ m	2015 A\$ m		2016 A\$ m	2015 A\$ m	
ICT and Managed services	146	160	-9.0	607	545	11.4
Data and IP	85	94	-9.7	333	366	-9.1
Voice	85	86	-0.7	346	347	-0.3
Mobile ⁽¹⁾	66	70	-5.5	289	285	1.3
Operating revenue ⁽²⁾	382	410	-6.9	1,574	1,543	2.0
EBITDA	76	83	-8.5	301	300	0.5

Notes:

(1) Include mobile service revenue and sale of equipment revenue.

(2) Excludes small and medium business segment which is reported under Australia Consumer.

ICT and Managed Services revenue declined 9.0% due to one-off project related equipment sales in the same quarter last year, partially offset by growth in Managed Services revenue from key enterprise and government customers.

Data and IP revenue declined 9.7% from continued price erosion, migration of legacy data services to IP network solutions and customer-led rationalisation of services.

Voice revenue was stable compared to the industry decline of 8%¹⁰. The decrease was due to price erosions and declines in switched voice as businesses migrated to lower cost IP-based voice solutions.

Mobile revenue was down 5.5% from declines in roaming and mobile termination rates, and lower equipment sales, partially offset by higher value added services from corporate messaging and machine-to-machine services. Excluding the decline in mobile termination rates, mobile revenue would have declined by 1.9%.

During the quarter, Optus Business secured a new agreement with Adelaide Festival Centre to transition South Australia's premier arts venue's existing IT infrastructure platform to a hybrid cloud platform. Optus Business also announced investments up to A\$12 million with its business partners over three years to develop local capabilities focused on cyber security, cloud, the Internet of Things (IoT) and the network of the future.

¹⁰ Source: IDC's Fixed Line semi-annual tracker.

SECTION 4 : GROUP DIGITAL LIFE

GROUP DIGITAL LIFE**MANAGEMENT DISCUSSION AND ANALYSIS**

Group Digital Life (“GDL”) focuses on using the latest Internet technologies and assets of the Group’s operating companies to develop new revenue and growth engines by entering into adjacent businesses where it has a competitive advantage.

From 1 April 2015, GDL had sharpened its strategy to focus on three key businesses – digital marketing (Amobee), regional premium video (HOOQ) and advanced analytics and intelligence capabilities (DataSpark), in addition to strengthening its role as Singtel’s digital innovation engine through Innov8. Certain businesses such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within GDL were transferred to Singapore Consumer. To better reflect the underlying performance, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from the refinement of revenue/ cost allocation methodologies between the various business units in Singapore. See **Appendix 5** for more details.

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2016**

- **Operating revenue at S\$120 million – up 15%.**
- **Negative EBITDA of S\$39 million.**
- **Including amortisation of acquired intangibles, negative EBIT of S\$57 million.**

FOR THE YEAR ENDED 31 MARCH 2016

- **Operating revenue at S\$454 million – up 45%.**
- **Negative EBITDA of S\$137 million.**
- **Including amortisation of acquired intangibles, negative EBIT of S\$206 million.**

SECTION 4 : GROUP DIGITAL LIFE**GROUP DIGITAL LIFE SUMMARY INCOME STATEMENTS**

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	Restated 2016 S\$ m	Restated 2015 S\$ m		Restated 2016 S\$ m	Restated 2015 S\$ m	
Digital ⁽¹⁾	130	116	12.4	501	348	44.0
Others ⁽²⁾	5	4	10.9	10	21	-51.6
Operating revenue	135	120	12.4	511	369	38.7
Intercompany eliminations	(15)	(16)	-5.9	(57)	(56)	1.8
Operating revenue	120	104	15.2	454	313	45.3
Operating expenses	(157)	(163)	-3.4	(588)	(488)	20.5
	(37)	(59)	-36.4	(134)	(175)	-23.8
Other loss	(2)	(4)	-60.5	(3)	(5)	-31.1
EBITDA	(39)	(62)	-37.9	(137)	(180)	-24.0
Depreciation	(4)	(2)	85.0	(18)	(15)	15.8
Amortisation of intangibles	(14)	(6)	125.0	(51)	(42)	21.0
	(18)	(8)	115.5	(69)	(58)	19.7
EBIT	(57)	(71)	-19.7	(206)	(237)	-13.4
Amobee group						
Operating revenue	130	116	12.4	501	348	44.0
Intercompany eliminations	(14)	(16)	-10.0	(55)	(56)	-0.9
Operating revenue	116	100	16.0	446	292	52.6
EBITDA	(12)	(33)	-63.7	(45)	(78)	-41.7
EBIT	(22)	(34)	-34.0	(83)	(102)	-19.3

*A negative sign for year-on-year change in EBITDA and EBIT denotes decrease in losses.

Notes:

(1) Mainly digital marketing (which includes digital advertising) revenue from Amobee group.

(2) In FY 2015, other revenues were mainly from marginal businesses no longer in operation.

SECTION 4 : GROUP DIGITAL LIFE

	Quarter		YOY Chge %	Year ended		YOY Chge %
	31 Mar			31 Mar		
	Restated			Restated		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Cost of sales	91	77	19.0	324	221	46.7
Staff costs	33	56	-40.7	156	163	-4.2
Selling & administrative	28	28	1.8	92	96	-4.1
Others	5	2	104.5	16	8	91.6
Operating expenses	157	163	-3.4	588	488	20.5

GROUP DIGITAL LIFE OPERATING HIGHLIGHTS**For The Fourth Quarter Ended 31 March 2016**

Operating revenue for the quarter grew 15% to S\$120 million driven by higher advertising revenue mainly from mobile, video and social. If the US Dollar was held constant against the Singapore Dollar from last corresponding quarter, operating revenue would have increased by 12%.

Negative EBITDA decreased by 38% to S\$39 million, reflecting the increased scale of Amobee's business and the benefits of business rationalisation which resulted in lower operating expenses. The increase in cost of sales was in line with higher revenue. The lower staff costs were mainly due to additional incentive accruals made in March 2015 quarter and staff optimisation. Negative EBIT was S\$57 million, after accounting for depreciation and amortisation of acquired intangibles for Amobee group. Amortisation charges in the last corresponding quarter included some one-off credit adjustments.

Amobee's businesses continued to gain industry recognition. During the quarter, Amobee won two top industry awards, the Best Advertising Rich Media Online Campaign Award and the Best Mobile Rich Media Online Campaign Award, at the 2016 Internet Advertising competition.

Amobee continued to grow their digital business with new and existing clients, including key customer wins from Airbnb, Red Bull and Paypal. In February 2016, Amobee launched a global campaign with Airbnb, across 6 countries including Korea, Great Britain, US, Germany, France and Australia.

In this quarter, Amobee also announced the launch of 'Amobee Political Intelligence Dashboard'. Powered by Brand Intelligence, the dashboard provides real time insights on voters' interests, initiatives, and engagement around specific political candidate-related content and relevant trends. The dashboard's data visualisation tool also allows users to easily compare and contrast insights and discover the pulse of the voting public.

HOOQ, which offers regional premium video, has recently launched in Indonesia. It has also introduced direct carrier billing in partnership with various telcos in Indonesia.

SECTION 4 : GROUP DIGITAL LIFE

DataSpark continued to see increased demand for its advanced analytics and intelligence services from the Group's associates as well as the public sector. AIS leveraged DataSpark's geo-spatial analytics capability in migrating its 2G subscribers to 3G and LTE, while Tekomsel tapped on DataSpark for its rollout of LTE network in numerous Indonesian cities.

For The Year Ended 31 March 2016

Operating revenue for the year increased by 45% to S\$454 million, with contributions from Kontera and Adconion which were acquired by Amobee in July and August 2014 respectively. If the US Dollar was held constant against the Singapore Dollar, revenue for the current year would have grown by 35%.

Negative EBITDA was at S\$137 million, reflecting business rationalisation, Amobee's improved gross margin and effective cost management, partially offset by HOOQ's higher start-up costs following commercial launches.

Negative EBIT was at S\$206 million after accounting for higher depreciation and amortisation of acquired intangibles for Amobee group.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2015 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2016 S\$ m	31 Dec 2015 S\$ m	
Operating revenue (before intercompany eliminations)	135	135	0.2
<i>Intercompany eliminations</i>	(15)	(15)	3.5
Operating revenue	120	120	-0.2
Operating expenses	(157)	(152)	3.4
EBITDA	(39)	(33)	17.3
EBIT	(57)	(51)	12.0

Compared to a quarter ago, negative EBITDA increased by 17% mainly due to seasonally lower revenue from Amobee and higher content acquisition costs from HOOQ.

SECTION 5: ASSOCIATES / JOINT VENTURES

**FINANCIAL HIGHLIGHTS
FOR THE FOURTH QUARTER ENDED 31 MARCH 2016**

- Associates' pre-tax and post-tax profit contributions grew by 12% and 16% respectively, attributable mainly to lower fair value losses of Airtel and higher earnings at Telkomsel and NetLink Trust.
- If the regional currencies had remained stable from last corresponding quarter, the pre-tax and post-tax profit contributions from the associates would have increased by 15% and 20% respectively.
- The Group's combined mobile customer base¹¹ was up 8.3 million or 1.4% in the quarter to 605 million.

FOR THE YEAR ENDED 31 MARCH 2016

- Associates' pre-tax and post-tax profit contributions grew by 8.2% and 9.5% respectively mainly on higher earnings at Telkomsel and NetLink Trust.
- If the regional currencies had remained stable from last year, the pre-tax and post-tax profit contributions from the associates would have increased by 9.7% and 11% respectively.

¹¹ 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 ⁽¹⁾	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Regional mobile associates						
Telkomsel						
- operating results	316	241	31.5	1,140	989	15.4
- fair value losses	*	(1)	nm	(1)	(6)	-88.7
	316	240	31.9	1,140	982	16.0
Bharti Telecom/ Bharti Airtel ("Airtel") ⁽²⁾⁽³⁾						
- operating results (India and South Asia)	289	287	0.7	1,109	992	11.8
- operating results (Africa)	10	27	-62.2	60	122	-50.7
- net finance costs	(103)	(61)	70.2	(347)	(193)	80.3
- fair value losses	(13)	(76)	-83.4	(125)	(149)	-16.2
	183	177	3.7	698	773	-9.8
AIS ⁽³⁾						
- operating results	112	118	-5.3	452	429	5.5
- fair value gains/ (losses)	*	1	nm	1	2	-54.2
	112	119	-6.2	453	431	5.2
Globe						
- operating results	86	87	-2.2	317	305	4.0
- fair value gains/(losses)	2	*	nm	(4)	1	nm
	88	87	0.9	313	306	2.5
	699	623	12.3	2,604	2,492	4.5
Other Singtel associates						
NetLink Trust ⁽⁴⁾						
- operating results	16	(4)	nm	44	(16)	nm
- amortisation of deferred gain	17	17	-	68	62	10.0
	33	14	142.2	112	46	144.7
Others	8	19	-57.7	73	79	-7.6
Singtel share of ordinary results (pre-tax)	740	656	12.9	2,788	2,616	6.6
Optus share of ordinary results (pre-tax)	-	*	nm	*	*	nm
Group share of ordinary results (pre-tax)	740	656	12.9	2,788	2,616	6.6
Exceptional item ("EI")						
Globe - gains on disposal/ deemed disposal ⁽⁵⁾	-	-	-	22	-	nm
Airtel - one-off items ⁽⁶⁾	(19)	(10)	90.2	(19)	(37)	-48.1
Group share of EI	(19)	(10)	90.2	3	(37)	nm
Singtel share of pre-tax profit ⁽³⁾	721	646	11.6	2,791	2,579	8.2
Optus share of pre-tax profit	-	*	nm	*	*	nm
Group share of pre-tax profit ⁽³⁾	721	646	11.6	2,791	2,579	8.2
(excluding fair value losses)	731	722	1.3	2,919	2,730	6.9
Group share of taxes	193	191	1.0	861	816	5.5
Effective tax rate	26.8%	29.6%		30.8%	31.6%	

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution	Quarter				YOY Chge %	Year				YOY Chge %
	31 Mar					31 Mar				
	2016		2015			2016		2015		
	S\$ m	% ⁽⁷⁾	S\$ m	% ⁽⁷⁾		S\$ m	% ⁽⁷⁾	S\$ m	% ⁽⁷⁾	
Regional mobile associates										
Telkomsel	239	24	181	19	31.8	857	23	741	20	15.8
Airtel ⁽²⁾⁽³⁾										
- ordinary results (India and South Asia)	132		182		-27.2	535		657		-18.6
- ordinary results (Africa)	(26)		(80)		-67.7	(203)		(243)		-16.4
	106		101		4.9	332		414		-19.9
- exceptional items	(15)		(11)		35.7	(15)		(42)		-63.5
	91	9	90	9	1.1	316	8	372	10	-15.0
AIS ⁽³⁾	99	10	96	10	2.9	370	10	338	9	9.4
Globe										
- ordinary results	61		61		0.2	215		212		1.5
- exceptional items	-		-		-	20		-		nm
	61	6	61	6	0.2	235	6	212	6	11.0
	490	50	428	45	14.4	1,779	47	1,663	44	7.0
Other Singtel associates										
NetLink Trust ⁽⁴⁾										
- operating results	18		(4)		nm	39		(14)		nm
- amortisation of deferred gain	14		14		-	56		51		10.0
	32	3	10	1	211.5	95	2	37	1	158.9
Others	6	1	16	2	-64.6	60	2	65	2	-8.2
Singtel share of post-tax profit⁽³⁾	528	54	454	48	16.2	1,933	51	1,764	47	9.6
Optus share of post-tax profit	*	**	*	**	nm	(3)	(0.1)	(1)	**	138.5
Group share of post-tax profit⁽³⁾	528	54	454	48	16.1	1,930	51	1,763	47	9.5

Post-tax profit contribution (in constant currency) ⁽⁸⁾	Quarter		YOY Chge %	YTD		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Regional mobile associates						
- operating results	734	699	5.0	2,768	2,644	4.7
- fair value losses	(11)	(76)	-85.8	(125)	(152)	-17.2
	723	623	16.1	2,643	2,492	6.1
Other associates	41	33	24.3	184	124	48.4
Group share of ordinary results	764	656	16.5	2,827	2,616	8.1
Group share of exceptional items	(20)	(10)	100.0	1	(37)	nm
Group share of pre-tax profit	744	646	15.2	2,828	2,579	9.7
Group share of tax expense	(200)	(191)	4.4	(867)	(816)	6.3
Group share of post-tax profit	544	454	19.8	1,961	1,763	11.2

SECTION 5 : ASSOCIATES/ JOINT VENTURES

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) The Group's equity interest in Airtel increased to 32.9% from 32.5% a quarter ago following Bharti Telecom Ltd's additional investment in Airtel in March 2016 quarter.
- (3) Share of results excluded the Group's share of certain Airtel's exceptional items and AIS' 3G handset subsidy costs which have been classified as exceptional items of the Group.
- (4) NetLink Trust is 100% owned by Singtel and is equity accounted as an associate in the Group as Singtel does not control it. The amortisation of deferred gain arose from Singtel's gain on disposal of assets and business to NetLink Trust in prior years, which was deferred in the Group's balance sheet and amortised over the useful lives of the transferred assets.
- (5) Gains on disposal/ deemed disposal relate to Globe's disposal of 51% equity interest in Yondu, Inc. (a former 100% owned subsidiary) and fair valuation of its previously held equity interest of 38.3% in Bayan Telecommunications, Inc.
- (6) Exceptional items of Airtel in this quarter comprise various non-operational expenses such as M&A professional fees, termination costs of a long-term contract, restructuring costs, and network re-farming and upgrading costs.
- (7) Shows the post-tax profit contribution of the associates to the Group's underlying net profit.
- (8) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding quarter/year ended 31 March 2015.

“**” denotes less than +/- S\$0.5 million, and “***” denotes less than +/- 0.05%.

Pre-tax profit contributions from the associates grew by 12%. Excluding the share of fair value losses, mainly at Airtel, the pre-tax profit contributions from the associates grew 1.3% on higher earnings at Telkomsel and NetLink Trust partially offset by lower profits at Airtel and AIS.

On a post-tax basis, the associates' profit contributions were up 16% to S\$528 million and contributed 54% to the Group's underlying net profit, up 6 percentage points from the same quarter last year.

Telkomsel registered strong double-digit growth in revenue and EBITDA boosted by higher voice and data revenues. Airtel recorded strong growth in consolidated revenue and EBITDA as well as lower fair value losses, but the gains were offset by higher depreciation, spectrum amortisation charges and related finance costs. AIS recorded stable service revenue while earnings were impacted by the accrual of Universal Service Obligation (USO) costs in respect of prior periods and 3G handset migration costs. Globe reported higher revenue and EBITDA which were offset by higher depreciation and interest expense. NetLink Trust recorded higher sales and EBITDA boosted by increased fibre penetration in Singapore.

PT Telekomunikasi Selular (“Telkomsel”)

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with over 110,500 radio base stations (of which 56% are 3G/4G base transceiver stations) providing nationwide coverage. Telkomsel continued to expand its network with a focus on growing data and digital services. In the quarter, Telkomsel added approximately 7,200 radio base stations, of which 90% were 3G/4G.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Operating revenue was up 18% year-on-year fuelled by strong growth across voice, data and digital businesses. Data and digital services rose a robust 49% with higher data usage and continued strong take-up of smartphones. Voice and SMS revenues grew 9% and 5% respectively.

EBITDA rose a strong 27% on higher revenue with increases in operation and maintenance costs from an accelerated network deployment. The Group's share of Telkomsel's pre-tax profit rose 35% in Indonesian Rupiah terms after including higher depreciation charges.

With the 2% depreciation of the Indonesian Rupiah against the Singapore Dollar this quarter, the Group's share of Telkomsel's pre-tax profit grew a robust 32%.

On a post-tax basis, Telkomsel's profit contribution for the quarter increased 32% to S\$239 million which constituted 24% of the Group's underlying net profit, up from 19% in the last corresponding quarter.

Compared to the preceding quarter, operating revenue declined 1% due to seasonality while EBITDA grew 3% on lower staff costs and marketing expenses.

Telkomsel gained 1.0 million mobile customers in the quarter, compared to 4.1 million added in the preceding quarter. The total mobile customer base grew 12 million or 8.6% from a year ago to 154 million, including 72 million of data customers at end of March 2016.

Bharti Telecom Group ("Airtel")

Airtel is listed on the Indian Stock Exchanges - National Stock Exchange and the Bombay Stock Exchange. It 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 integrated telecom solutions to its enterprise customers. Airtel also owns tower infrastructure pertaining to telecom operations through its subsidiary and joint venture companies.

India, Bangladesh and Sri Lanka ("India and South Asia")

In India, Airtel strengthened its revenue market leadership in the preceding December quarter. Operating revenue grew 10% driven by strong mobile data growth on higher usage and robust mobile customer growth. Total data traffic rose a strong 69% while data ARPU increased 12%. Year-on-year, total voice minutes on its networks increased by 11% while voice realisation per minute was down 8%.

EBITDA was up strongly by 14% and margin expanded from sustained revenue growth and tighter control on operating expenses.

'South Asia' comprised operations in Sri Lanka and Bangladesh. Operating revenue grew 18%, the highest in 8 quarters, driven by strong data revenue growth. Consequently, EBITDA turned positive this quarter.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

With higher depreciation charges from network expansion and increased spectrum amortisation charges following 3G/4G launches in India, the Group's share of pre-tax operating profit (before finance costs and fair value adjustments) from India and South Asia grew 6% in Indian Rupee terms. Pre-tax operating profit contribution was stable at S\$289 million after factoring the 5% depreciation of the Indian Rupee against the Singapore Dollar.

Compared to the preceding quarter, Airtel's revenue and EBITDA from its India and South Asia operations grew 4% and 9% respectively.

Airtel added 7.9 million mobile customers in India this quarter, compared to 8.1 million added in the preceding quarter. As at 31 March 2016, Airtel had 251 million mobile customers in India, an increase of 25 million or 11% from a year ago. The number of data customers grew 12 million or 26% from a year ago to 58 million, representing 23% of mobile customers.

Africa

As at 31 March 2016, 'Airtel Money' and 3G mobile were available in all the 17 African countries that Airtel has presence in.

In constant currency terms, Africa's operating revenue rose 4%, the highest growth in the last six quarters, and EBITDA grew 10% with continued focus on cost efficiencies. The increases were driven by strong growth in mobile data and 'Airtel Money' services. Mobile data revenue grew 43% in constant currency terms on increased usage and higher data penetration.

In reported US Dollar terms, operating revenue decreased 5% while EBITDA increased 1%. The Group's share of Airtel Africa's pre-tax operating profit (before finance costs and fair value losses), however, declined 62% to S\$10 million due to higher depreciation charges from network investments.

Compared to the preceding quarter, Airtel Africa's revenue was stable while EBITDA increased 2% in constant currency terms. Operating revenue was stable and EBITDA grew 4% in reported terms.

Airtel Africa recorded a net decline of 1.5 million mobile customers in the quarter due to disconnections as a result of regulatory compliances in certain African countries, compared to 1.2 million of net additions in the preceding quarter. As at 31 March 2016, the mobile customer base stood at 81 million, an increase of 4.3 million or 5.6% from a year ago. The number of data customers grew 3.5 million or 28% to 16 million, representing 20% of mobile customers.

During the quarter, Airtel Africa's subsidiary in Tanzania entered into an agreement for the sale of over 1,300 telecom towers in Tanzania to American Towers Corporation Group ("ATC"). Airtel Africa will have access to a dedicated portion of the towers from ATC under long term lease contracts.

Overall

Airtel's consolidated revenue and EBITDA grew strongly by 8% and 14% respectively.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

In Singapore Dollar terms, the Group's share of overall pre-tax ordinary profit from Airtel grew 3.7% to S\$183 million after including net finance costs and fair value losses. The share of net finance costs amounted to S\$103 million, up significantly from S\$61 million. The increase was due mainly to increased spectrum related finance cost and higher interest on finance lease obligations from the lease back of tower assets, as well as lower investment income. The share of fair value losses (mainly derivatives and forex losses) amounted to S\$13 million, down significantly from S\$76 million in the same quarter last year.

Year-on-year, pre-tax profit contribution from Airtel grew 3.7%, while post-tax profit contribution grew 1.1% to S\$91 million, which was 9% (Q4 FY2015: 9%) of the Group's underlying net profit.

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 31 million or 10% from a year ago to 342 million as at 31 March 2016.

In the quarter, Airtel entered into a definitive agreement with Videocon Telecommunications Limited to acquire rights to use 2 x 5 MHz spectrum in the 1800 MHz band for six circles at an aggregate consideration of Rs. 44 billion (~S\$0.9 billion). Airtel also entered into definitive agreements with Aircel Group to acquire rights to use 20 MHz 2300 Band 4G TD spectrum for eight circles at an aggregate consideration of Rs. 35 billion (~S\$0.7 billion). Both transactions are subject to regulatory approvals and other closing conditions.

With the spectrum acquisitions, Airtel will expand its 4G footprint from 15 circles to 22 circles to become a pan-India 4G operator.

With effect from 1 April 2016, Bharti Infratel Limited (a 71.7% owned subsidiary of Airtel) has been included in the Nifty 50 and Nifty Infrastructure Indices of NSE.

Advanced Info Service ("AIS")

AIS, the largest mobile communications operator in Thailand, is listed on the Stock Exchange of Thailand. AIS provides mobile services on 2G, 3G and 4G networks. The 2G service is operated under Built-Transfer-Operate agreements with TOT Public Company Limited, which expired on 30 September 2015.

The National Broadcasting and Telecommunications Commission ("**NBTC**") has scheduled the re-auction of 900 MHz spectrum on 27 May 2016 following a payment default by Jasmine. NBTC has also announced a temporary measure requiring AIS to continue providing 2G 900 MHz service to its customers up to the earlier of 30 June 2016 or until the official date the NBTC grants the spectrum license to the bidding winner.

As at end March 2016, AIS' 4G coverage is available in 77 provinces following the launch of 4G on 1800 MHz. AIS targets to cover 4G in 50% of the population by December 2016.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

In the current quarter, service revenue (excluding interconnect) was stable amid intense competition. EBITDA declined 2%¹² due to accrual of Universal Service Obligation (USO) fees in respect of prior periods partly offset by lower regulatory costs from continued 3G migration. AIS' pre-tax profit was stable¹² in Thai Baht terms after including lower depreciation charges on fully depreciated 2G assets.

With the 6% depreciation of the Thai Baht against the Singapore Dollar this quarter, the Group's share of AIS' pre-tax profit declined 6.2% to S\$112 million.

Post-tax profit contribution, however, rose 2.9% to S\$99 million due to recognition of a deferred tax asset on past tax losses.

AIS contributed 10% of the Group's underlying net profit, unchanged from the last corresponding quarter. This contribution excluded AIS' handset subsidy costs relating to the migration of 2G handset customers to 3G. The Group's share of this cost of S\$25 million has been classified as an exceptional item of the Group (see Page 16).

Against the preceding quarter, service revenue (excluding interconnect) remained stable while EBITDA declined 7%¹² mainly from the USO fees accrual in the quarter.

AIS gained 0.4 million of mobile customers in the quarter to 39 million, compared to 0.7 million added in the preceding quarter. At the end of the quarter, approximately 38 million or 98% of the total mobile customer base were on 3G.

AIS continues to maintain its mobile market leadership position, as well as the largest network coverage operator, in Thailand.

Globe Telecom, Inc (“Globe”)

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

Globe's service revenue grew 14% driven by increases in customer base for both mobile and broadband. EBITDA rose 18% with higher service and network costs.

With higher depreciation charges from the expanded asset base and consolidation of Bayan Telecommunications, Inc., as well as higher interest expense, Globe's pre-tax operating profit (before fair value adjustments) grew 1% in Philippine Peso terms.

After including the Group's share of fair value gain of S\$2 million (Q4 FY2015: less than S\$0.5 million of loss) and the 3% depreciation of the Philippine Peso against the Singapore Dollar this quarter, the Group's overall share of Globe's pre-tax profit was stable at S\$88 million.

On a post-tax basis, Globe contributed S\$61 million or 6% (Q4 FY2015: 6%) to the Group's underlying net profit.

¹² Including 3G handset subsidy costs classified as an exceptional item of Singtel, EBITDA and pre-tax profit would have declined by 26% and 28% respectively in Thai Baht terms from last corresponding quarter. Compared to the preceding quarter, EBITDA declined by 22%.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Against the preceding quarter, Globe's service revenue declined 2% due to seasonality while EBITDA increased 17% with lower marketing expenses and staff costs.

Globe added 0.9 million mobile customers in the quarter, compared to 3.1 million in the preceding quarter. As at 31 March 2016, its mobile customer base expanded to 57.3 million, up 8.8 million or 18% from a year ago.¹³

NetLink Trust

NetLink Trust was constituted as a business trust to own, install, operate and maintain the passive infrastructure for Singapore's Next Generation Nationwide Broadband Network.

Year-on-year, operating revenue grew 27% driven by a 30% increase in residential fibre customer base. Household residential wired broadband penetration rate was 103%¹⁴ as of end February 2016. EBITDA increased 68% with stable margins.

Consequently, NetLink Trust recorded a net profit of S\$18 million (before the Group's amortisation of deferred gain) in the quarter, compared to a net loss of S\$4 million in the last corresponding quarter.

¹³ With effect from this quarter, Globe has classified mobile broadband subscribers as part of mobile subscribers. Comparatives have been restated to be consistent with the current quarter.

¹⁴ Source: IDA

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		YOY	Year		YOY
	31 Mar			31 Mar		
	2016	2015	Chge	2016	2015	Chge
	S\$ m	S\$ m	%	S\$ m	S\$ m	%
Group operating revenue						
Optus	2,100	2,436	-13.8	9,298	9,875	-5.8
Singapore subsidiaries	1,714	1,716	-0.1	6,721	6,731	-0.2
Other overseas subsidiaries (including Amobee & Trustwave)	280	187	49.8	942	617	52.7
	1,994	1,903	4.8	7,663	7,348	4.3
	4,094	4,339	-5.6	16,961	17,223	-1.5
Proportionate share of operating revenue of associates						
Regional mobile associates	3,183	3,078	3.4	12,567	11,729	7.1
Singapore associates	227	134	70.0	642	516	24.2
Other overseas associates	20	20	-0.5	78	77	1.3
	3,430	3,231	6.2	13,286	12,322	7.8
Enlarged revenue	7,523	7,570	-0.6	30,248	29,545	2.4
% of overseas revenue to enlarged revenue	74%	76%		76%	76%	

Operating revenue in Australia declined 14% as a result of declines in mobile termination rates from 1 January 2016. Consequently, overseas revenue contributed 74% to the Group's enlarged revenue, down 2 percentage points from the last corresponding quarter.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA	Quarter		YOY	Year		YOY
	31 Mar			31 Mar		
	2016	2015	Chge	2016	2015	Chge
	S\$ m	S\$ m	%	S\$ m	S\$ m	%
Group EBITDA						
Optus	749	771	-2.8	2,825	2,945	-4.1
Singapore subsidiaries	605	593	2.0	2,520	2,475	1.8
Other overseas subsidiaries (including Amobee & Trustwave)	(92)	(90)	2.6	(332)	(328)	1.2
	513	503	1.8	2,187	2,146	1.9
	1,262	1,274	-0.9	5,013	5,091	-1.5
Proportionate share of associates' EBITDA ⁽¹⁾						
Regional mobile associates	1,403	1,267	10.8	5,348	4,811	11.2
Singapore associates	63	49	27.8	254	180	41.3
Other overseas associates	13	14	-9.9	59	54	8.7
	1,479	1,330	11.2	5,660	5,045	12.2
Total proportionate EBITDA	2,740	2,604	5.2	10,673	10,135	5.3
Overseas proportionate EBITDA as a % to total proportionate EBITDA	76%	75%		74%	74%	
Contributions to total proportionate EBITDA						
Regional mobile associates	51%	49%		50%	47%	
Australia	27%	30%		26%	29%	
Singapore	24%	25%		26%	26%	
Others	-3%	-3%		-3%	-3%	
	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, up 1 percentage point from last corresponding quarter.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Number of mobile customers (000s)	Total Number			Proportionate Share ⁽¹⁾		
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Dec 2015	31 Mar 2015
Singtel	4,101	4,101	4,088	4,101	4,101	4,088
Optus	9,337	9,371	9,433	9,337	9,371	9,433
	13,438	13,472	13,521	13,438	13,472	13,521
Regional Mobile Associates						
Airtel						
- India	251,237	243,289	226,017	81,626	79,045	73,230
- Africa	80,564	82,070	76,263	26,175	26,665	24,709
- South Asia	10,238	10,793	8,603	3,326	3,506	2,787
	342,039	336,152	310,883	111,127	109,216	100,726
Telkomsel	153,613	152,640	141,461	53,764	53,424	49,512
AIS	38,928	38,488	41,951	9,078	8,975	9,783
Globe ⁽²⁾	57,266	56,183	48,417	27,024	26,513	22,848
	591,846	583,463	542,712	200,993	198,128	182,869
PBTL	-	1,007	1,246	-	453	561
	591,846	584,470	543,958	200,993	198,581	183,430
Group	605,284	597,942	557,479	214,431	212,053	196,951
<i>(excluding PBTL)</i>	<i>605,284</i>	<i>596,935</i>	<i>556,233</i>	<i>214,431</i>	<i>211,600</i>	<i>196,390</i>

Notes:

- (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.
- (2) With effect from this quarter, Globe has classified mobile broadband subscribers as part of mobile subscribers. Comparatives have been restated to be consistent with the current quarter.

Excluding PBTL which Singtel has ceased to exercise joint control, the Group's combined mobile customer base was 605 million as at 31 March 2016, up 8.3 million or 1.4% from a quarter ago, and 49 million or 8.8% from a year ago. On a proportionate share basis, the Group's mobile customer base increased 1.3% to 214 million from a quarter ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

CASH DIVIDENDS RECEIVED FROM ASSOCIATES / JOINT VENTURES ⁽¹⁾

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 S\$ m	2015 S\$ m		2016 S\$ m	2015 S\$ m	
Telkomsel ⁽²⁾						
- interim dividend FY 2015 / FY 2014	-	71	nm	-	71	nm
- final dividend FY 2015 / FY 2014	-	-	-	557	595	-6.4
- special dividend FY 2014	-	-	-	165	-	nm
	-	71	nm	722	666	8.4
AIS ⁽³⁾						
- interim dividend FY 2015 / FY 2014	-	-	-	181	162	11.8
- final dividend FY 2014 / FY 2013	-	-	-	165	152	8.8
	-	-	-	346	314	10.4
Globe ⁽⁴⁾						
- quarterly dividend FY 2014 / FY 2013	40	38	5.2	157	106	48.3
Airtel ⁽⁵⁾						
- interim dividend FY 2015	-	-	-	-	20	nm
- final dividend FY 2015 / FY 2014	-	-	-	28	22	25.6
	-	-	-	28	43	-34.1
Regional mobile associates	40	110	-63.1	1,252	1,128	11.1
<i>(exclude Telkomsel's special dividend)</i>	<i>40</i>	<i>110</i>	<i>-63.1</i>	<i>1,087</i>	<i>1,128</i>	<i>-3.6</i>
Other associates						
Southern Cross/ PCHL ⁽⁶⁾	13	6	127.3	43	42	2.7
SingPost	7	6	19.4	38	31	23.9
Others	6	1	@	17	15	13.7
	26	12	113.1	98	88	12.1
Total	66	122	-45.4	1,351	1,215	11.2

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 90% on net profit for its 2015 financial year (FY 2014: 115%). The Group's share of the dividend is approximately S\$714 million which has been received in April 2016.
- (3) AIS declared a full year dividend of 99% (FY 2014: 99%) on net profit for its 2015 financial year. Dividends are 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. On 4 February 2016, AIS declared a final dividend of THB 6.49 per share for its 2015 financial year. The Group received its share of final dividend of S\$176 million in April 2016.
- (4) Effective from July 2014, Globe pays dividends on a quarterly basis. Globe's dividend policy is to pay ordinary dividends of 75% to 90% of prior year's core net income. Globe declared a full year dividend of 77% of core net income for its 2015 financial year (FY 2014: 76%). The Group received its share of the first quarterly dividend of S\$40 million for Globe's 2015 financial year in March 2016. Globe will pay its next quarterly dividend of PHP 22 per common share in June 2016. The Group's share of this dividend is approximately S\$40 million.
- (5) Airtel does not have a fixed dividend policy. The Group received its share of the final dividend for FY 2015 financial year from its direct stake of 15.01% in August 2015. Airtel declared a final dividend of Rs 1.36 per share for its 2016 financial year, subject to shareholders' approval. The Group's share of this dividend is Rs 815 million (approximately S\$17 million) which will be received in September 2016 quarter.
- (6) Southern Cross Cables Holdings Limited and Pacific Carriage Holdings Limited (PCHL), part of the Southern Cross consortium, do not have fixed dividend policies.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Singtel received an interim dividend from Telkomsel in March 2015 which was not repeated this quarter. Consequently, total dividends received from the associates decreased by 45%.

KEY OPERATIONAL DATA

	Airtel ⁽¹⁾	Telkomsel	AIS	Globe
Singtel's investment:				
Year of initial investment	2000	2001	1999	1993
Effective economic interest (%)	32.9%	35.0%	23.3%	47.2% ⁽²⁾
Investment to date	S\$2.91 bil	S\$1.93 bil	S\$1.20 bil	S\$1.02 bil
Closing market share price ⁽³⁾	INR 351	NA	THB 182 ⁽⁴⁾	PHP 2,220
Market capitalisation				
- Total	S\$28.55 bil	NA	S\$20.70 bil	S\$8.64 bil
- Singtel holding	S\$9.28 bil	NA	S\$4.83 bil	S\$4.08 bil
Operational Performance :				
Mobile penetration rate ⁽⁵⁾	81%	126%	126%	116%
Market share, 31 Mar 2016 ⁽⁵⁾	24.2%	47.6%	46.5%	45.8%
Market share, 31 Dec 2015 ⁽⁶⁾	24.1%	47.9%	46.5%	45.1%
Market position ⁽⁷⁾	#1	#1	#1	#2
Mobile customers ('000)				
- Aggregate	342,039	153,613	38,928	57,266
- Proportionate	111,127	53,764	9,078	27,024
Growth in mobile customers (%) ⁽⁸⁾	10%	8.6%	-7.2%	18%
Credit ratings				
- Sovereign (Moody's/ S&P's)	Baa3/BBB-	Baa3/BB+	Baa1/BBB+	Baa2/BBB
- Company (Moody's/ S&P's)	Baa3/BBB-	Baa1/BBB-	NA/A-	NA

Notes:

- (1) Mobile penetration rate, market share and market position pertain to India market only.
- (2) Including preferred shares issued by Globe, Singtel has a 21.5% effective interest in Globe's voting shares.
- (3) Based on closing market price on 31 March 2016, in local currency.
- (4) Based on local market price quoted on the Stock Exchange of Thailand.
- (5) Based on actual data or latest data available as of 31 March 2016.
- (6) Based on actual data.
- (7) Based on number of mobile customers.
- (8) Compared against 31 March 2015 and based on aggregate mobile customers.

NA Denotes not applicable.

Please refer to **Appendix 6** for the currency rate movements of the major associates.

SECTION 6 : PRODUCT INFORMATION

SINGAPORE MOBILE

	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Mobile Communications revenue (S\$'M) ⁽¹⁾	520	536	518	2,116	2,092	1.2
Number of mobile subscribers (000s)						
Prepaid	1,773	1,779	1,822	1,773	1,822	-2.7
Postpaid	2,328	2,322	2,266	2,328	2,266	2.7
Total	4,101	4,101	4,088	4,101	4,088	0.3
Number of 4G mobile subscribers (000s)	2,290	2,205	1,873	2,290	1,873	22.3
MOUs per subscriber per month ⁽²⁾						
Prepaid	264	275	302	281	314	-10.6
Postpaid ⁽³⁾	246	246	262	251	269	-6.6
Average revenue per subscriber per month ⁽²⁾⁽⁴⁾ (S\$ per month)						
Prepaid	18	18	17	18	17	4.7
Postpaid	70	73	73	72	75	-3.5
Blended	47	49	48	48	49	-1.4
Data services as % of ARPU						
- total data ⁽⁵⁾	52%	51%	48%	50%	47%	
- non-SMS data	43%	41%	37%	40%	35%	
Tiered data plans						
- postpaid base on tiered data plans ⁽⁶⁾	66%	65%	61%	66%	61%	
- tiered data plan customers exceeding data bundles	29%	26%	26%	29%	26%	
Acquisition cost per postpaid subscriber (S\$) ⁽⁷⁾	411	443	452	425	438	-3.1
Postpaid external churn per month ⁽⁸⁾	0.8%	1.0%	0.9%	0.9%	0.9%	
Singapore mobile penetration rate ⁽⁹⁾	149%	148%	148%	149%	148%	
Market share ⁽⁹⁾						
Prepaid	52.7%	52.7%	53.9%	52.7%	53.9%	
Postpaid	47.7%	48.0%	48.0%	47.7%	48.0%	
Overall	49.8%	50.4%	50.4%	49.8%	50.4%	

Notes:

- (1) This comprises cellular service revenue in Singapore only and is determined net of bill rebates and prepaid sales discount, and includes revenue earned from broadband bundles. It excludes revenue earned from international calls classified under "International Telephone" revenue.
- (2) Based on average number of subscribers, calculated as the simple average of opening and closing number of subscribers.
- (3) MOU of postpaid base excludes customers that have data-only SIM plans.
- (4) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.
- (5) Includes revenue from SMS, *SEND, MMS and other data services.
- (6) If excluding data-only SIMs, approximately 80% of postpaid customers as at 31 March 2016 were on tiered plans. Of these customers, 29% had exceeded their data bundles.
- (7) This relates to blended acquisition and retention cost per postpaid customer.
- (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 average number of subscribers.
- (9) The market share data as at 31 March 2016 was based on Telco operators' published results. The other market statistics were based on IDA's latest available published statistics as of 29 February 2016.

SECTION 6 : PRODUCT INFORMATION

AUSTRALIA MOBILE (PRODUCT VIEW)

	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Optus' mobile revenue (A\$'M) ⁽¹⁾	1,306	1,623	1,498	6,005	5,749	4.5
Optus' mobile service revenue (A\$'M)	1,005	1,236	1,211	4,670	4,765	-2.0
Number of mobile subscribers (000s)						
Prepaid Handset	3,681	3,664	3,695	3,681	3,695	-0.4
Postpaid Handset	4,664	4,688	4,619	4,664	4,619	1.0
Mobile Broadband ⁽²⁾	993	1,019	1,119	993	1,119	-11.3
Total	9,337	9,371	9,433	9,337	9,433	-1.0
Number of 4G mobile subscribers (000s) ⁽³⁾	4,676	4,445	3,527	4,676	3,527	32.6
Mobile penetration rate ⁽⁴⁾	ND	136%	ND	ND	ND	
MOUs per subscriber per month ⁽⁵⁾						
Prepaid	134	138	124	130	126	2.8
Postpaid	257	258	219	249	219	13.6
ARPU per month (A\$) ⁽⁶⁾						
Prepaid Handset	21	28	27	26	27	-2.0
Postpaid Handset	50	61	61	58	60	-3.8
Mobile Broadband ⁽²⁾	23	23	23	23	22	6.4
Blended	36	44	43	41	42	-1.5
Postpaid Handset excluding DRP impact	59	68	65	65	64	1.8
Data revenue as a % of service revenue						
- total data	70%	69%	68%	69%	67%	
- non-SMS data	61%	49%	46%	51%	44%	
Tiered data plans						
- postpaid base on tiered data plans ⁽⁷⁾	92%	88%	75%	92%	75%	
- tiered data plan customers exceeding data bundles	23%	26%	31%	27%	31%	
Market share - total ⁽⁴⁾	ND	29.7%	ND	ND	ND	
Retail postpaid churn rate per month ⁽⁸⁾	1.3%	1.4%	1.3%	1.4%	1.3%	

ND denotes 'Not disclosed'.

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) Defined as data-only SIMs and include customers on both prepaid and postpaid plans. Postpaid plans incur a monthly subscription fee.
- (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 number of customers, calculated as the simple average of opening and closing number of customers. MOU includes outgoing minutes only. This calculation is based on customers with voice plan only – i.e. it excludes customers with only mobile broadband.
- (6) Based on average number of customers, calculated as the simple average of opening and closing number of customers. Excludes equipment revenue. ARPU impacted by mobile termination rates decline from 1 January 2016.
- (7) Defined as a percentage of Consumer Branded customers which excludes Virgin Mobile (which does not offer tiered data plans) and wholesale customers.
- (8) 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**Singtel TV (PRODUCT VIEW)**

	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Singtel TV revenue (S\$'M)	58	57	55	232	236	-1.7
Average revenue per customer per month (S\$ per month)	39	39	39	39	40	-2.2
Number of residential TV customers (000s)	423	424	423	423	423	**

SINGAPORE CONSUMER HOME

	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Singapore Consumer home revenue (S\$'M) ⁽¹⁾	131	131	131	526	529	-0.6
Average revenue per customer per month ⁽²⁾ (S\$ per month)	61	61	60	61	61	0.7
Number of households on triple/ quad play services (000s) ⁽³⁾	500	498	493	500	493	1.3

Notes:

- (1) This comprises fixed broadband, fixed voice and Singtel 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 number of residential households who subscribed to 3 or 4 unique services comprising fixed broadband, Singtel TV, fixed voice and mobile.

SECTION 6 : PRODUCT INFORMATION

OTHER PRODUCTS

Singapore	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Internet						
Number of fixed broadband lines (000s) ⁽¹⁾	599	597	588	599	588	1.9
Singapore fixed broadband penetration rate ⁽²⁾	103%	103%	106%	103%	106%	
Fixed broadband market share ⁽³⁾⁽⁴⁾	42.5%	42.4%	42.4%	42.5%	42.4%	
Number of fibre broadband lines (000s)	501	485	418	501	418	19.9
Fibre broadband market share ⁽⁴⁾	51%	52%	55%	51%	55%	
International Telephone						
International telephone outgoing minutes (m mins) (excl Malaysia)	712	724	836	3,050	3,445	-11.5
Average collection rate - net basis (S\$/ min) (excl Malaysia)	0.095	0.095	0.092	0.094	0.093	1.1
National Telephone						
Fixed working lines (000s) ⁽⁵⁾						
Residential	816	822	844	816	844	-3.3
Business	716	723	735	716	735	-2.6
Total	1,532	1,545	1,579	1,532	1,579	-3.0
Singapore fixed line penetration rate ⁽⁶⁾	36.5%	36.5%	36.5%	36.5%	36.5%	
Singapore fixed working lines ('000s) ⁽⁶⁾	2,018	2,018	1,997	2,018	1,997	
Fixed line market share ⁽⁶⁾	75.9%	76.6%	79.1%	75.9%	79.1%	

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 March 2016 was based on IDA's latest available published statistics as of 29 February 2016.
- (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 March 2016 was based on management's estimates.
- (5) Fixed working lines refer to Direct Exchange Lines (DEL) and Home Digital Lines. Some lines are for connections of second set top box under ADSL bundles.
- (6) The market share data as at 31 March 2016 was based on management's estimates. The other market statistics as at 31 March 2016 were based on IDA's latest available published statistics as of 31 December 2015.

SECTION 6 : PRODUCT INFORMATION

Australia	Quarter			Year		YOY Chge %
	31 Mar 2016	31 Dec 2015	31 Mar 2015	31 Mar 2016	31 Mar 2015	
Enterprise Fixed						
Business voice minutes (m min)	1,353	1,296	1,310	5,302	5,154	2.9
Buildings connected at the end of the period ⁽¹⁾	18,339	18,292	18,231	18,339	18,231	0.6
Wholesale Fixed						
Wholesale domestic voice minutes (m min)	916	991	1,008	4,003	3,954	1.2
Mass Market Fixed						
On-net ARPU (A\$) ⁽²⁾						
Voice	36	36	38	36	40	-9.9
Broadband ⁽³⁾	53	53	53	53	53	1.0
Telephony customers ('000)						
HFC ⁽⁴⁾	454	459	469	454	469	-3.0
ULL ⁽⁵⁾	448	458	479	448	479	-6.6
On-net	902	918	948	902	948	-4.8
Resale	19	20	22	19	22	-12.5
NBN	110	85	32	110	32	243.9
Off-net	129	104	54	129	54	140.5
<i>HFC bundling rate ⁽⁶⁾</i>	98%	97%	93%	98%	93%	
<i>HFC penetration</i>	32%	33%	33%	32%	33%	
Internet customers (000s)						
On-net						
HFC broadband	433	433	427	433	427	1.4
ULL broadband ⁽⁵⁾	475	491	524	475	524	-9.3
Business grade broadband	24	25	28	24	28	-12.9
	933	949	979	933	979	-4.8
Off-net						
Resale	22	6	7	22	7	200.0
NBN	113	88	36	113	36	213.5
Broadband subtotal	1,068	1,044	1,023	1,068	1,023	4.4
Dial-up	3	4	9	3	9	-61.2
Total Internet customers	1,071	1,048	1,032	1,071	1,032	3.8

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 number of HFC and ULL customers. Comparatives have been restated to be consistent with the current quarter.
- (3) Includes Optus TV with Fetch.
- (4) 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.
- (5) Include wholesale ULL subscribers.
- (6) 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.
“DRP”	Device repayment plans.
“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”	Infocommunication Technology.
“IDA”	Info-communications Development Authority of Singapore.
“IP VPN”	Internet Protocol Virtual Private Network.
“MMS”	Multimedia messaging service.
“MTAS”	Mobile terminating access services.
“MOU”	Minutes of use per subscriber.
“NetLink Trust”	NetLink Trust, a business trust established as part of IDA’s effective open access requirements under Singapore’s NextGen NBN, is currently 100% owned by Singtel. NetLink Trust is equity accounted as an associate in the Group as Singtel does not control it. NetLink Trust owns 100% of OpenNet Pte. Ltd.
“Next Gen NBN”	Next Generation Nationwide Broadband Network in Singapore.
“NM”	Not meaningful.
“NPS”	Net Promoter Score. This 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.
“Optus”	Singtel Optus Pty Limited, Singtel’s wholly-owned subsidiary, and its subsidiaries.
“SaaS”	Software-as-a-Service.
“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.
“SME”	Small and medium-sized enterprises.
“Singapore”	The term refers to the Group’s operations excluding Optus and the associates. Therefore, this includes the overseas operations of Singtel including Amobee and Trustwave.
“Underlying net profit”	Defined as net profit before exceptional items.

GROUP SUMMARY INCOME STATEMENTS

For The Fourth Quarter Ended 31 March 2016

	Quarter							YOY Chge %
	31 Mar							
	2016			2016		2016	2015	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	1,994	-	-	1,994	2,100	4,094	4,339	-5.6
Operating expenses	(1,489)	-	-	(1,489)	(1,376)	(2,865)	(3,119)	-8.2
Other income	505	-	-	505	724	1,229	1,220	0.8
	7	-	-	7	25	33	54	-39.7
EBITDA	513	-	-	513	749	1,262	1,274	-0.9
- <i>EBITDA margin</i>	25.7%	-	-	25.7%	35.7%	30.8%	29.4%	
Share of associates' pre-tax profits								
<i>Regional mobile associates</i>	-	699	-	699	-	699	623	12.3
<i>Other associates</i>	-	41	-	41	*	41	33	24.3
- ordinary operations	-	740	-	740	*	740	656	12.9
- exceptional items	-	(19)	-	(19)	-	(19)	(10)	90.2
	-	721	-	721	*	721	646	11.6
EBITDA and share of associates' pre-tax profits	513	721	-	1,233	749	1,983	1,920	3.3
Depreciation & amortisation	(212)	-	-	(212)	(333)	(545)	(543)	0.5
EBIT	301	721	-	1,022	416	1,437	1,377	4.4
Net finance expense								
- net interest expense	(43)	-	-	(43)	(42)	(85)	(66)	27.4
- other finance (expense)/ income	(18)	-	-	(18)	11	(7)	15	nm
	(60)	-	-	(60)	(31)	(91)	(52)	76.4
Profit before EI and tax	241	721	-	961	385	1,346	1,325	1.6
Taxation								
- current and deferred taxes	(47)	-	-	(47)	(107)	(154)	(156)	-0.8
- share of taxes of associates	-	(193)	-	(193)	*	(193)	(191)	1.0
- withholding taxes ⁽¹⁾	-	-	(24)	(24)	-	(24)	(30)	-22.7
	(47)	(193)	(24)	(264)	(107)	(371)	(377)	-1.6
Profit after tax	193	528	(24)	698	278	975	948	2.9
Minority interests	6	-	-	6	-	6	1	330.8
Underlying net profit	199	528	(24)	703	278	981	950	3.3
Exceptional items ("EI") (post-tax)	46	*	(54)	(8)	(27)	(35)	(11)	226.2
Net profit	245	528	(78)	695	251	946	939	0.8

Note:

(1) These are withholding and dividend distribution taxes deducted at source when dividends are remitted by the overseas associates. For accounting purpose, the dividend income and related withholding and dividend distribution 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**.

GROUP SUMMARY INCOME STATEMENTS

For The Year Ended 31 March 2016

	Year							YOY Chge %
	31 Mar							
	2016			2016		2016	2015	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	Singtel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	7,663	-	-	7,663	9,298	16,961	17,223	-1.5
Operating expenses	(5,524)	-	-	(5,524)	(6,573)	(12,097)	(12,284)	-1.5
Other income	2,139	-	-	2,139	2,725	4,864	4,939	-1.5
	48	-	-	48	100	148	151	-2.0
EBITDA	2,187	-	-	2,187	2,825	5,013	5,091	-1.5
- EBITDA margin	28.5%	-	-	28.5%	30.4%	29.6%	29.6%	
Share of associates' pre-tax profits								
<i>Regional mobile associates</i>	-	2,604	-	2,604	-	2,604	2,492	4.5
<i>Other associates</i>	-	184	-	184	*	184	124	48.4
- ordinary operations	-	2,788	-	2,788	*	2,788	2,616	6.6
- exceptional items	-	3	-	3	-	3	(37)	nm
	-	2,791	-	2,791	*	2,791	2,579	8.2
EBITDA and share of associates' pre-tax profits	2,187	2,791	-	4,978	2,826	7,804	7,670	1.7
Depreciation & amortisation	(795)	-	-	(795)	(1,354)	(2,149)	(2,161)	-0.6
EBIT	1,392	2,791	-	4,183	1,472	5,655	5,508	2.7
Net finance expense								
- net interest expense	(139)	-	-	(139)	(170)	(309)	(263)	17.5
- other finance (expense)/ income	(2)	-	-	(2)	46	44	47	-5.4
	(141)	-	-	(141)	(124)	(265)	(216)	22.4
Profit before EI and tax	1,251	2,791	-	4,042	1,348	5,390	5,292	1.9
Taxation								
- current and deferred taxes	(196)	-	-	(196)	(396)	(592)	(561)	5.6
- share of taxes of associates	-	(858)	-	(858)	(3)	(861)	(816)	5.5
- withholding taxes ⁽¹⁾	-	-	(145)	(145)	-	(145)	(133)	8.5
	(196)	(858)	(145)	(1,198)	(399)	(1,597)	(1,510)	5.8
Profit after tax	1,055	1,933	(145)	2,844	949	3,793	3,782	0.3
Minority interests	13	-	-	13	-	13	(3)	nm
Underlying net profit	1,068	1,933	(145)	2,856	949	3,805	3,779	0.7
El (post-tax)	82	65	(50)	96	(31)	66	3	@
Net profit	1,149	1,998	(195)	2,953	918	3,871	3,782	2.4

Note:

(1) These are withholding and dividend distribution taxes deducted at source when dividends are remitted by the overseas associates. For accounting purpose, the dividend income and related withholding and dividend distribution 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**.

GROUP SUMMARY INCOME STATEMENTS

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2016			2016		
	S\$ m	%	%	S\$ m	%	%
Operating revenue	4,094	-5.6	-3.1	16,961	-1.5	4.1
Operating expenses	(2,865)	-8.2	-5.8	(12,097)	-1.5	4.1
	1,229	0.8	3.8	4,864	-1.5	4.1
Other income	33	-39.7	-37.0	148	-2.0	4.6
EBITDA	1,262	-0.9	2.1	5,013	-1.5	4.1
-EBITDA margin	30.8%			29.6%		
Share of associates' pre-tax profits						
- Telkomsel	316	31.9	34.5	1,140	16.0	21.1
- Airtel	183	3.7	8.7	698	-9.8	-10.4
- AIS	112	-6.2	-0.7	453	5.2	5.6
- Globe	88	0.9	3.7	313	2.5	-0.5
Regional mobile associates	699	12.3	16.1	2,604	4.5	6.1
Other associates	41	24.3	24.3	184	48.4	48.4
- ordinary operations	740	12.9	16.5	2,788	6.6	8.1
- exceptional items	(19)	90.2	100.0	3	nm	nm
	721	11.6	15.2	2,791	8.2	9.7
EBITDA and share of associates' pre-tax profits	1,983	3.3	6.5	7,804	1.7	6.0
Depreciation & amortisation	(545)	0.5	3.8	(2,149)	-0.6	5.9
EBIT	1,437	4.4	7.6	5,655	2.7	6.0
Net finance expense	(91)	76.4	80.5	(265)	22.4	28.6
Profit before EI and tax	1,346	1.6	4.7	5,390	1.9	5.1
Taxation	(371)	-1.6	1.6	(1,597)	3.1	6.1
Profit after tax	975	2.9	6.0	3,793	1.3	4.6
Minority interests	6	330.8	330.8	13	nm	nm
Profit before tax credit	981	3.3	6.4	3,805	1.7	5.1
Tax credit on transfer of assets to associate	-	-	-	-	nm	nm
Underlying net profit	981	3.3	6.4	3,805	0.7	4.0
<i>(exclude one-off tax credit and Trustwave) ⁽²⁾</i>	993	4.5	7.7	3,832	2.4	5.8
EI (post-tax)	(35)	226.2	248.6	66	@	@
Net profit	946	0.8	3.7	3,871	2.4	5.5
<i>(exclude one-off tax credit and Trustwave) ⁽²⁾</i>	958	2.0	4.9	3,898	4.1	7.3

Notes:

- (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 March 2015.
- (2) Adjusted to exclude the impact of Trustwave (consolidated from 1 October 2015) with net loss of S\$12 million for the current quarter and S\$27 million for the year ended 31 March 2016, and a one-off tax credit of S\$39 million arising from certain property, plant and equipment transferred to an associate recorded in the December 2014 quarter.

BUSINESS SEGMENTS

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2016			2016		
	S\$ m	%	%	S\$ m	%	%
Operating revenue						
Group Consumer	2,295	-12.7	-9.3	10,110	-4.6	3.0
Group Enterprise	1,679	4.6	5.8	6,397	1.3	3.9
Core Business	3,974	-6.2	-3.5	16,507	-2.4	3.3
Group Digital Life	120	15.2	15.4	454	45.3	45.6
Group	4,094	-5.6	-3.1	16,961	-1.5	4.1
EBITDA						
Group Consumer	846	-1.4	2.6	3,266	-1.2	6.5
Group Enterprise	475	-4.5	-3.6	1,959	-3.9	-2.4
Core Business	1,321	-2.5	0.3	5,225	-2.2	3.1
Group Digital Life	(39)	-37.9	-38.2	(137)	-24.0	-24.6
Corporate	(20)	6.9	6.9	(76)	4.3	4.3
Group	1,262	-0.9	2.1	5,013	-1.5	4.1
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	481	**	3.9	1,811	-0.3	6.9
Group Enterprise	313	-8.3	-7.8	1,337	-6.2	-5.2
Core Business	794	-3.4	-0.9	3,148	-2.9	1.6
Group Digital Life	(57)	-19.7	-19.9	(206)	-13.4	-13.9
Corporate	(21)	2.0	2.0	(79)	4.9	4.9
Group	717	-2.0	0.8	2,864	-2.2	2.8
Operating revenue (ex-mobile termination rates decline)						
Group Consumer	2,480	-5.7	-1.8	10,296	-2.8	4.8
Group Enterprise	1,682	4.7	6.0	6,399	1.3	3.9
Core Business	4,162	-1.7	1.1	16,695	-1.3	4.5
Group Digital Life	120	15.2	15.4	454	45.3	45.6
Group	4,282	-1.3	1.5	17,149	-0.4	5.2
Group Enterprise (ex-fibre rollout and maintenance & Trustwave)						
Operating revenue	1,606	**	1.3	6,250	0.2	2.8
EBITDA	472	-5.0	-4.1	1,954	-0.9	0.7
EBIT	319	-6.3	-5.8	1,353	-0.4	0.6

Note:

(1) Assuming constant exchange rates for the Australian Dollar from the corresponding periods ended 31 March 2015.

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Mar 2016 (Audited) S\$ million	31 Dec 2015 (Unaudited) S\$ million	31 Mar 2015 (Audited) S\$ million
Current assets			
Cash and cash equivalents	462	686	563
Trade and other receivables	4,366	4,273	3,885
Inventories	320	314	290
Derivative financial instruments	18	20	30
	5,165	5,292	4,768
Non-current assets			
Property, plant and equipment	11,154	10,589	10,683
Intangible assets	12,968	13,122	11,949
Associates	356	337	275
Loan to an associate	1,101	1,611	1,611
Joint ventures	10,730	10,507	10,571
Available-for-sale investments	148	201	268
Deferred tax assets	692	805	804
Derivative financial instruments	623	818	742
Other non-current receivables	629	595	397
	38,400	38,584	37,299
Total assets	43,566	43,877	42,067
Current liabilities			
Trade and other payables	4,597	4,062	4,464
Advance billings	800	794	614
Current tax liabilities	364	439	419
Interim dividend payable	-	1,084	-
Borrowings (unsecured)	596	250	150
Borrowings (secured)	90	92	24
Derivative financial instruments	25	6	17
Net deferred gain ⁽¹⁾	68	68	68
	6,540	6,794	5,757
Non-current liabilities			
Borrowings (unsecured)	9,019	9,589	8,591
Borrowings (secured)	236	245	214
Derivative financial instruments	316	241	265
Advance billings	266	280	265
Net deferred gain ⁽¹⁾	1,323	1,299	1,370
Deferred tax liabilities	585	583	522
Other non-current liabilities	278	304	316
	12,023	12,540	11,542
Total liabilities	18,563	19,335	17,299
Net assets	25,003	24,542	24,768
Share capital and reserves			
Share capital	2,634	2,634	2,634
Reserves	22,355	21,898	22,099
Equity attributable to shareholders of the Company	24,989	24,532	24,733
Minority interests and other reserve	13	11	35
Total equity	25,003	24,542	24,768

Note:

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

SINGAPORE CASH FLOW STATEMENT

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter			Year		YOY Chge %
	31 Mar 2016 S\$ m	31 Mar 2015 S\$ m	31 Dec 2015 S\$ m	31 Mar		
				2016 S\$ m	2015 S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	241	302	290	1,251	1,316	-4.9
Non-cash items	281	214	242	953	866	10.1
Operating cash flow before working capital changes	522	515	532	2,204	2,182	1.0
Changes in operating assets and liabilities	74	192	(47)	(306)	126	nm
	596	707	485	1,899	2,308	-17.7
Cash paid to employees under performance share plans	-	-	-	(3)	(1)	181.8
Tax paid on operating activities	(38)	(17)	(74)	(203)	(138)	46.4
Operating cash flow	557	690	411	1,693	2,168	-21.9
Net cash inflow from/ (outflow for) investing activities						
Accrued capital expenditure	(417)	(407)	(176)	(806)	(779)	3.5
Changes in creditors' balances	113	145	(4)	(19)	(10)	81.6
Cash capital expenditure	(305)	(262)	(180)	(825)	(789)	4.5
Net loan to STAI from Optus ⁽¹⁾	(123)	(65)	-	17	100	-83.3
Dividend received by STAI from Optus ⁽¹⁾	617	616	-	617	616	0.2
Withholding tax paid on interest received on inter-company loans	(14)	(15)	-	(27)	(32)	-14.6
Payment for purchase of subsidiaries, net of cash acquired	(2)	4	(1)	(1,059)	(439)	141.2
Contribution from minority interests	10	13	-	21	13	61.8
Investment in associates	(215)	-	-	(215)	-	nm
Investment in venture investments	(13)	*	(2)	(39)	(23)	67.1
Proceeds from disposal of venture investments	5	14	24	81	75	8.4
Proceeds from disposal of property, plant and equipment	*	5	1	6	15	-62.5
Loan repaid by an associate	510	-	-	510	-	nm
Deferred proceeds/ proceeds from disposal of associates and joint ventures	1	-	-	13	4	209.5
Payment for purchase of spectrum	-	(7)	-	-	(40)	nm
Others	19	2	15	53	17	217.5
	492	305	(142)	(846)	(483)	75.4
Net cash outflow for financing activities						
Net (decrease)/ increase in borrowings	(135)	7	(454)	888	149	494.8
Net interest paid on borrowings and swaps	(44)	(31)	(55)	(172)	(136)	26.6
Interim dividend paid to shareholders	(1,084)	(1,084)	-	(1,084)	(1,084)	**
Final dividends paid to shareholders	-	-	-	(1,705)	(1,594)	7.0
Purchase of performance shares	(6)	(13)	(4)	(29)	(39)	-26.9
Others	1	*	(5)	(3)	(8)	-60.2
	(1,268)	(1,121)	(517)	(2,105)	(2,711)	-22.4
Net (decrease)/ increase in cash balance from Singapore	(219)	(126)	(249)	(1,258)	(1,025)	22.7
Net (decrease)/ increase in cash balance from Singapore	(219)	(126)	(249)	(1,258)	(1,025)	22.7
Dividends received from associates	54	116	217	1,308	1,174	11.5
Withholding tax paid	(6)	(13)	(24)	(133)	(115)	15.5
Net dividends received from associates	48	103	193	1,175	1,059	11.0
Net (decrease)/ increase in cash and cash equivalents	(171)	(23)	(55)	(83)	33	nm
Singtel cash and cash equivalents at beginning	581	476	636	453	418	8.3
Exchange effects on cash and cash equivalents	(7)	*	1	33	2	@
Singtel cash and cash equivalents at end	403	453	581	403	453	-11.1
Singapore free cash flow	253	428	231	869	1,379	-37.0
Free cash flow from associates' dividends	48	103	193	1,175	1,059	11.0
Cash capex to operating revenue	15%	14%	9%	11%	11%	

Note:

(1) The intercompany amounts are eliminated at the Group level.

OPTUS CASH FLOW STATEMENT

For The Fourth Quarter And Year Ended 31 March 2016

	Quarter			Year		YOY Chge %
	31 Mar 2016 A\$ m	31 Mar 2015 A\$ m	31 Dec 2015 A\$ m	31 Mar 2016 A\$ m	2015 A\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	379	355	326	1,322	1,246	6.1
Non-cash items	328	357	360	1,420	1,341	5.9
Operating cashflow before working capital changes	707	712	685	2,742	2,587	6.0
Changes in operating assets and liabilities	(67)	35	(263)	(723)	(22)	@
Tax paid	(63)	(63)	(36)	(318)	(304)	4.7
Operating cash flow	578	685	387	1,700	2,261	-24.8
Net cash outflow from investing activities						
Accrued capital expenditure	(617)	(493)	(369)	(1,598)	(1,448)	10.4
Changes in creditors' balances	398	213	129	515	163	215.6
Cash capital expenditure	(219)	(280)	(240)	(1,083)	(1,285)	-15.7
Payment for purchase of subsidiary, net of cash required	-	(10)	-	*	(10)	nm
Loan to STAI ⁽¹⁾	(131)	(142)	-	(264)	(285)	-7.2
Repayment of loan by STAI ⁽¹⁾	250	210	-	250	210	19.0
Payment for purchase of spectrum	-	*	-	(70)	(720)	-90.2
Others	(19)	(30)	(23)	(81)	(67)	21.2
	(119)	(252)	(263)	(1,249)	(2,157)	-42.1
Net cash outflow from financing activities						
Net increase/ (decrease) in borrowings	120	120	(80)	236	520	-54.6
Dividend paid to STAI ⁽¹⁾	(600)	(560)	-	(600)	(560)	7.1
Net interest paid on borrowings and swaps	(35)	(34)	(47)	(161)	(153)	5.0
Purchase of Singtel shares	-	-	-	(15)	(13)	16.0
Finance lease payments (exclude interest)	*	(1)	*	(2)	(6)	-70.2
	(516)	(475)	(128)	(542)	(212)	155.5
Net decrease in cash balance from Optus	(57)	(42)	(4)	(90)	(107)	-15.8
Dividend received from associates	12	5	9	42	37	14.1
Net (decrease)/ increase in cash and cash equivalents	(45)	(36)	5	(48)	(70)	-31.5
Optus cash and cash equivalents at beginning	102	141	97	105	175	-40.1
Optus cash and cash equivalents at end	57	105	102	57	105	-45.9
Optus free cash flow	359	405	147	617	976	-36.8
Free cash flow from associates' dividends	12	5	9	42	37	14.1
Cash capex to operating revenue	11%	12%	10%	12%	15%	

Note:

(1) The intercompany amounts are eliminated at the Group level.

OPTUS FINANCIALS IN AUSTRALIAN DOLLARS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2016 A\$ m	2015 A\$ m		2016 A\$ m	2015 A\$ m	
Operating revenue	2,073	2,285	-9.3	9,115	8,790	3.7
Operating expenses	(1,359)	(1,588)	-14.4	(6,442)	(6,248)	3.1
Other income	25	26	-4.3	98	82	19.8
EBITDA - margin	739 35.7%	723 31.7%	2.3	2,771 30.4%	2,624 29.9%	5.6
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	739	723	2.3	2,771	2,624	5.6
Depreciation & amortisation	(329)	(331)	-0.5	(1,327)	(1,260)	5.3
EBIT	410	392	4.6	1,444	1,364	5.9
Net finance expense	(31)	(37)	-16.6	(122)	(118)	3.2
Profit before exceptional items and tax	379	355	6.8	1,322	1,246	6.1
Taxation	(106)	(107)	-0.9	(392)	(372)	5.1
Underlying net profit	273	248	10.1	931	873	6.6
Exceptional items (post-tax)	(26)	(9)	181.2	(30)	(33)	-8.7
Net profit	247	239	3.5	901	841	7.2

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

	As at		
	31 Mar 2016 A\$ m	31 Dec 2015 A\$ m	31 Mar 2015 A\$ m
	Property, plant and equipment (net)	7,173	6,847
Gross debt			
Current debt	*	1	2
Non-current debt	3,189	3,117	2,918
Gross debt as reported in the statement of financial position	3,189	3,117	2,920
Related net hedging assets	(202)	(236)	(128)
	2,987	2,882	2,792
Less: Cash and bank balances	(57)	(102)	(105)
Net debt	2,930	2,780	2,687

BUSINESS SEGMENT INFORMATION FOR FY 2015

From 1 April 2015, certain businesses such as AMPed, Dash, Hungry-Go-Where, inSing.com and Newsloop which were previously within Group Digital Life were transferred to Singapore Consumer. To better reflect the underlying performance of the business segments, the results for the respective comparative periods have been restated on the basis that the businesses were transferred from 1 April 2014 (instead of 1 April 2015). The comparatives have also included changes arising from refinement of revenue/ cost allocation methodologies between the various business units in Singapore. The Group's overall results for the respective periods remained unchanged.

	Quarter			Quarter			Quarter			Quarter			Year		
	30 Jun			30 Sep			31 Dec			31 Mar			31 Mar		
	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2014 S\$ m	Change S\$ m	Change %	Restated 2015 S\$ m	Change S\$ m	Change %	Restated 2015 S\$ m	Change S\$ m	Change %
Revenue															
Group Consumer	2,553	9	0.3	2,640	10	0.4	2,770	8	0.3	2,629	7	0.3	10,593	33	0.3
Group Enterprise	1,555	(1)	**	1,598	(1)	-0.1	1,559	(1)	**	1,606	(0.5)	**	6,318	(3)	**
Group Digital Life	35	(8)	-23.6	76	(9)	-11.8	98	(7)	-7.3	104	(6)	-6.0	313	(31)	-9.8
Corporate	5	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-
Group	4,148	-	-	4,309	-	-	4,427	-	-	4,339	-	-	17,223	-	-
EBITDA															
Group Consumer	804	(2)	-0.3	847	(3)	-0.3	796	(3)	-0.4	858	(4)	-0.5	3,304	(12)	-0.4
Group Enterprise	504	(6)	-1.1	547	(7)	-1.2	491	(6)	-1.1	497	(5)	-0.9	2,039	(23)	-1.1
Group Digital Life	(37)	8	-21.6	(40)	10	-24.7	(40)	9	-22.1	(62)	9	-14.9	(180)	36	-20.1
Corporate	(17)	(0.1)	0.6	(19)	(1)	3.6	(18)	(0.3)	1.7	(19)	(0.2)	1.1	(73)	(1)	1.8
Group	1,254	-	-	1,334	-	-	1,229	-	-	1,274	-	-	5,091	-	-
EBIT (exclude share of associates' pre-tax profits)															
Group Consumer	433	(5)	-1.2	476	(5)	-1.1	425	(5)	-1.2	481	(7)	-1.5	1,816	(23)	-1.3
Group Enterprise	352	(6)	-1.8	395	(8)	-2.0	338	(7)	-2.0	341	(6)	-1.8	1,426	(27)	-1.9
Group Digital Life	(46)	12	-25.2	(63)	14	-21.8	(57)	12	-21.6	(71)	14	-19.4	(237)	52	-21.7
Corporate	(18)	(0.1)	0.6	(19)	(1)	3.7	(18)	(0.4)	2.2	(20)	(0.4)	2.0	(75)	(2)	2.1
Group	722	-	-	789	-	-	688	-	-	731	-	-	2,929	-	-

Please refer to **SGX Appendix 7.2** announcement for the year ended 31 March 2016 for group segment information prepared on statutory basis.

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.

Debt Currency Mix	As at		
	31 Mar 2016	31 Dec 2015	31 Mar 2015
SGD	67%	69%	66%
AUD	33%	31%	34%
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 Mar 2016	Singtel	Optus
Standard & Poor's	A+ (stable)	A (stable)
Moody's Investors Service	Aa3 (stable)	A1 (stable)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate ⁽¹⁾ for:							
Operating revenue							
<u>SGD</u>							
FY2016	1.0446	1.0089	1.0138	1.0129	1.0266	1.0134	1.0201
FY2015	1.1688	1.1574	1.1073	1.0664	1.1630	1.0869	1.1234
<i>Change (last corresponding period)</i>	-10.6%	-12.8%	-8.4%	-5.0%	-11.7%	-6.8%	-9.2%
Underlying net profit							
<u>SGD</u>							
FY2016	1.0445	1.0086	1.0140	1.0154	1.0252	1.0148	1.0196
FY2015	1.1686	1.1563	1.1053	1.0640	1.1618	1.0828	1.1206
<i>Change (last corresponding period)</i>	-10.6%	-12.8%	-8.3%	-4.6%	-11.8%	-6.3%	-9.0%

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	Q4	H1	H2	Full Year
<u>Rupiah</u>							
FY2016	9,804	10,000	9,804	9,615	9,910	9,704	9,803
FY2015	9,259	9,434	9,434	9,434	9,352	9,435	9,395
<i>Change (last corresponding period)</i>	5.9%	6.0%	3.9%	1.9%	6.0%	2.9%	4.3%
<u>Indian Rupee</u>							
FY2016	47.2	46.7	46.7	48.1	47.1	47.4	47.2
FY2015	47.8	48.3	47.8	45.9	48.1	46.9	47.5
<i>Change (last corresponding period)</i>	-1.3%	-3.3%	-2.3%	4.8%	-2.1%	1.1%	-0.6%
<u>Baht</u>							
FY2016	24.8	25.3	25.4	25.4	25.0	25.5	25.2
FY2015	25.9	25.6	25.3	24.0	25.8	24.6	25.2
<i>Change (last corresponding period)</i>	-4.2%	-1.2%	0.4%	5.8%	-3.1%	3.7%	**
<u>Peso</u>							
FY2016	33.2	33.1	33.3	33.7	33.2	33.6	33.4
FY2015	35.2	35.0	34.6	32.8	35.1	33.5	34.3
<i>Change (last corresponding period)</i>	-5.7%	-5.4%	-3.8%	2.7%	-5.4%	0.3%	-2.6%