



Transforming with You

Summary Financial Report 2016



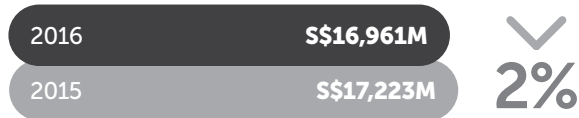
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Financial Highlights

OPERATING REVENUE ⁽¹⁾



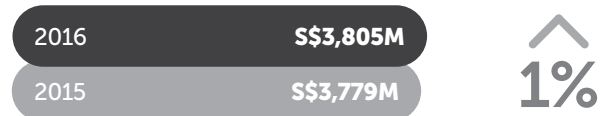
EBITDA



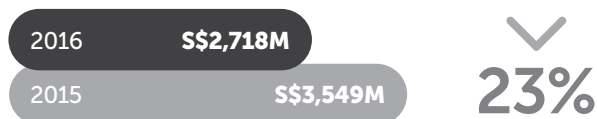
NET PROFIT



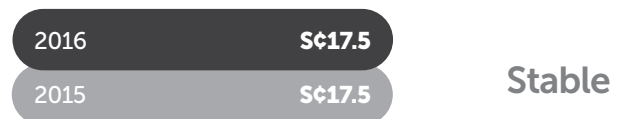
UNDERLYING NET PROFIT



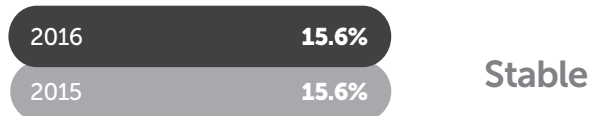
FREE CASH FLOW ⁽²⁾



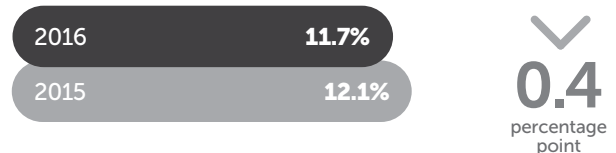
DIVIDEND PER SHARE



RETURN ON EQUITY

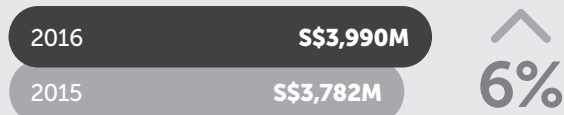


RETURN ON INVESTED CAPITAL

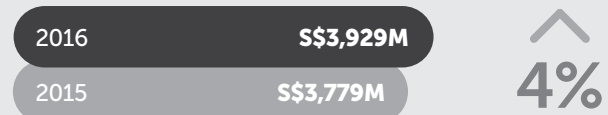


Constant Currency ⁽³⁾

NET PROFIT



UNDERLYING NET PROFIT



NET PROFIT – Contribution by Geography



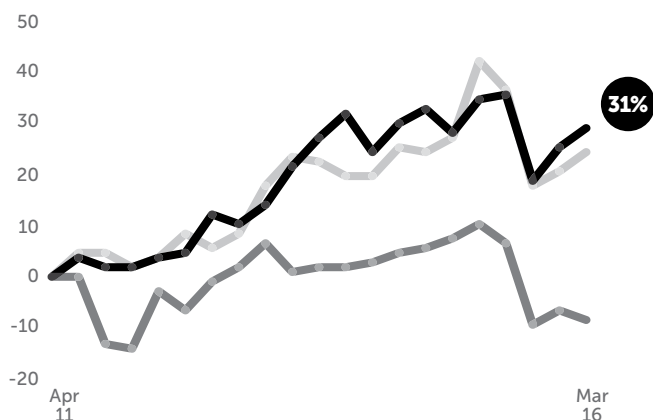
Australia



Singapore

Regional
Mobile
Associates

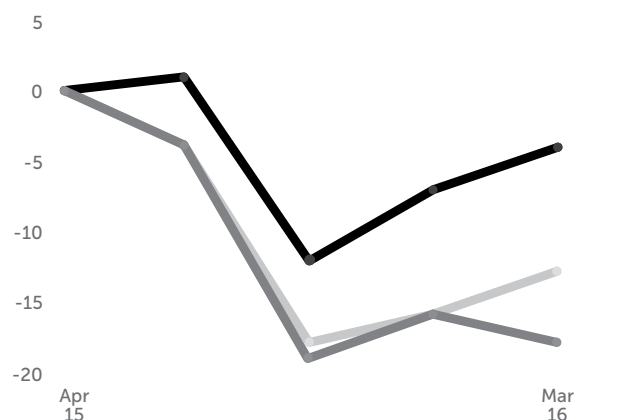
SHARE PRICE CHANGES 5-year



Singtel MSCI APAC Telco Index⁽⁴⁾ Straits Times Index

26% 31% -9%

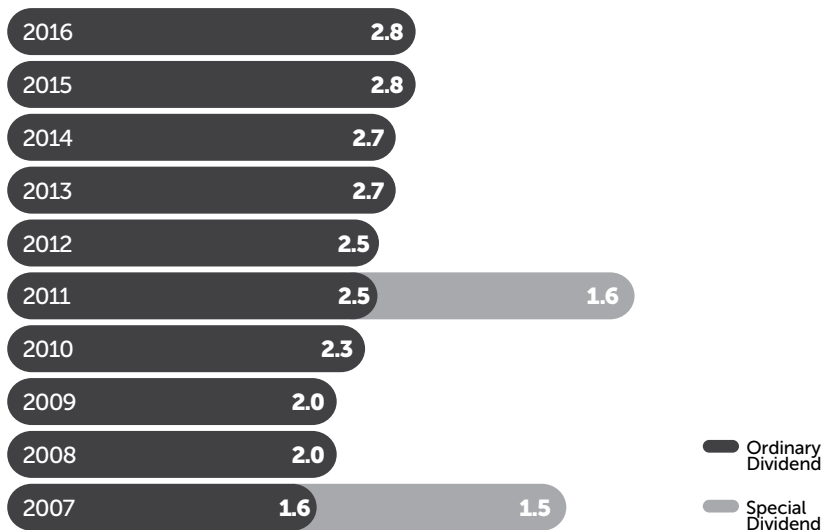
1-year



Singtel MSCI APAC Telco Index⁽⁴⁾ Straits Times Index

-13% -4% -18%

SHAREHOLDER PAYOUT (S\$ billion)



Singtel has a track record of generous shareholder returns.

We pay between 60% and 75% of underlying net profit as ordinary dividends.

For the financial year ended 31 March 2016, the Board has recommended a final ordinary dividend of 10.7 Singapore cents a share. Together with the interim dividend of 6.8 Singapore cents, the total ordinary dividends for the year is 17.5 Singapore cents, unchanged from the previous year. It also represents 73% of the Group's underlying net profit.

Notes:

- ⁽¹⁾ Impacted by the regulated reduction in Australian mobile termination rates from 1 January 2016, and a 9% decline in the Australian dollar. Excluding these factors, operating revenue would be up 5%.
- ⁽²⁾ Decrease is mainly due to mobile customer acquisitions and retentions in Australia, and receipts last year from fibre rollout completion. Concurrently, the Australian dollar and Indonesian rupiah fell significantly.
- ⁽³⁾ Assuming constant exchange rates from FY 2015.
- ⁽⁴⁾ MSCI Asia Pacific Telecommunications Index.

Chairman's Message



Dear Shareholders,

Four years ago, we embarked on a journey to transform ourselves into a communications company operating in a data-centric digital world. The reason was simple – the mobile internet revolution was taking hold, threatening traditional revenue streams from voice and SMS. We saw that to stay relevant, we had to put data at the centre of our business and transform our telecoms network into high-speed data networks so that we could capture and monetise this growing demand for mobile data. As we take stock of the progress we've made, we have protected our revenues while creating a new set of opportunities around our data assets. Our FY 2016 results bear this out. Our net profit for the year was up 2% to S\$3.87 billion but would have grown 6% in constant currency terms.

We continue to deliver strong earnings as our core businesses performed well. This is despite regional currency weakness and the costs of investing in the new enterprise services of cloud, cyber security as well as our digital businesses.

TRANSFORMING OUR CORE MOBILE BUSINESS

The steps we've taken to transform our core telecoms business are increasingly paying off

as consumers continue to shift from voice to data. Data revenues from Singapore and Australia have grown significantly as we've made further investments in network, technology and spectrum, and restructured our price plans to meet the increasing need for quality mobile internet at affordable prices. We are among the leaders globally in making this successful shift.

The other piece of good news – the mobile internet revolution is only just beginning in the emerging markets where prices of smart phones and devices are getting more affordable for a growing middle class. This puts us in an enviable position as we have a strong presence across Indonesia, the Philippines, Thailand, India and Africa, where our regional mobile associates operate. Previously priced out of the mobile data revolution, these developing markets are now making their respective transitions from mobile telephony to mobile internet, moving up the ladder from 3G to 4G, just as we have. With insights and lessons from our own transformation, we are well-placed to help steer our associates through this exciting move to a digital world.

“Consumer habits are still evolving alongside the rapidly merging telecoms and internet space. The need for people and businesses to be connected is stronger than ever, which means more demand for seamless connectivity and data services.”

A BOOST FOR ICT SERVICES

This new data paradigm presents opportunities for our ICT business. Our assets and capabilities have us well-positioned to capitalise on the shifts to cloud computing, enterprise mobility and smart city initiatives as public agencies and businesses look to exploit mobile capabilities to spur growth.

Cyber security has emerged as a critical issue for governments and businesses. As cyber threats grow in frequency and sophistication, company boards and managements are waking up to the urgent reality that their firms are not adequately protected against these threats and the associated reputational, business risks and costs. In this high-growth emerging market, our ambition is to build out a global business to be among the leaders in this space. Our acquisition of Trustwave last September brings with it a global customer base that we intend to build on and expand.

BUILDING OUT DIGITAL

Since beginning our transformation journey, we have refined our digital strategy to focus on three main areas: digital marketing, OTT video and data analytics where our telecom assets give us competitive advantage.

Amobee is our global digital marketing business that we continue to invest in as we build global scale. Voted the Most Innovative Tech Company, as well as Company of the Year, at the 2016

American Business Awards, Amobee’s Brand Intelligence platform analyses and correlates more than 60 billion content engagements daily across the web, social media, video and mobile, helping businesses optimise their media strategies to improve brand awareness and engagement rates.

Our other businesses will take time to scale and mature. Our mobile streaming service, HOOQ, can now be found in India, Indonesia, the Philippines and Thailand, allowing us to tap into the growing demand for online entertainment in emerging markets as smartphone adoption rises. Our geoanalytics initiative, DataSpark, is securing more public contracts as agencies deploy its technology to optimise the planning of urban spaces and transport networks.

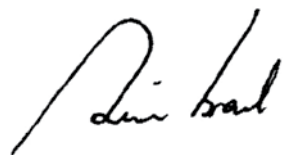
THE TRANSFORMATION CONTINUES

Transformation is a journey in which new opportunities emerge. Consumer habits are still evolving alongside the rapidly merging telecoms and internet space. The need for people and businesses to be connected is stronger than ever, which means more demand for seamless connectivity and data services. In short, the same motivations that set us on this path at the outset – reshaping the business to meet customers’ evolving needs – are as strong, if not stronger today. So far, we have managed to deepen our customer engagement to compete in the new digital economy while maintaining our lead in the core telecoms business. We intend to continue delivering on both those counts going forward.

I would like to thank our directors, management and staff for their commitment to this transformation and also our many partners and stakeholders for their confidence in Singtel.

Our Board and management are committed to the highest standards of corporate governance and sustainable long-term value creation.

Yours sincerely,



Simon Israel
Chairman

GCEO Review

STAYING RESILIENT AMID TRANSFORMATION

Most people shun change. It's uncomfortable and requires serious effort and commitment. For us at Singtel, change has been an unwavering principle over the last four years. As the advent of the digital economy brought with it an explosion in data usage, we didn't just keep up with the times but strived instead to stay ahead of the curve. To do this, we had to pay fresh heed to the changing needs and wants of our customers. For the past four years, we have been driving a transformation across all our businesses as customer habits in communication and media consumption radically altered and companies too, adjusted how they operated. At the close of the 2016 financial year, I'm pleased to report that our business has stayed resilient in the face of this transformation.

Our net profit for FY 2016 was up 2% to S\$3.87 billion and would have been up 6% on a constant currency basis. These results have been achieved despite our continuous investments in network and spectrum, crucial for network capacity and speed, and losses from digital and cyber security ventures as we scale these businesses. In terms of Total Returns to Shareholders, we have been disciplined with our dividend payout and outperformed the STI index over the past four years. All this bears testimony to our restructuring efforts, our focus on execution and our financial strength.

DIFFERENTIATING OUR CORE CONSUMER BUSINESS

Our core consumer businesses in Singapore and Australia performed well in FY 2016 with Singtel extending its overall revenue market leadership by differentiating our products and services. Having made substantial network investments over the years to provide the foundation of superior 4G coverage across both markets, our priority was to come up with innovative products and services that would create customer loyalty.

A host of flexible data plans, marquee content and bundled offers was rolled out to woo customers with increasingly data-centric lifestyles and more demands for video entertainment on the go. Standalone data plans, value-for-money double data add-ons and 10Gbps options for heavy data users were introduced much to the delight of customers. Zero-rated music streaming services were a hit with the music fans. Both Optus

“Our Group results were strongly bolstered by our geographical diversification across Asia’s fastest growing economies. Together with our regional mobile associates, all leading players in their respective markets, we reach over 600 million mobile subscribers across the region.”

and Singtel also struck significant partnerships and offered a range of exciting sports and entertainment content, including the English Premier League, Cricket Australia and Netflix.

This differentiated approach saw Optus retain and win more subscribers, repositioning it as more than just a mobile company in the eyes of the customer. In Singapore, the strategy mitigated declines in voice and pricing pressures, helping the business defend its turf.

DIVERSIFICATION KEEPS US STRONG

Our Group results were strongly bolstered by our geographical diversification across Asia's fastest growing economies. Together with our regional mobile associates, all leading players in their respective markets, we reach over 600 million mobile subscribers across the region. Our associates put in another strong showing in 2016, also thanks to substantial growth in mobile data. As their increasingly affluent populations upgraded to more affordable smart devices, spurring mobile



internet usage, our associates began to harness the benefits of extensive investments in 3G and 4G networks and services.

Telkomsel was the standout performer, with pre-tax earnings for the year jumping 15% to S\$1.1 billion on the back of increased voice and data usage. They also saw a significant increase in 3G and 4G subscribers who now make up 42% of its total customer base. In Thailand, AIS continued with its migration of 2G customers to 3G or 4G networks, against an accelerated network rollout with the 1800MHz spectrum acquired last year. Airtel has secured pan-Indian spectrum for its 4G services, which allows it to provide seamless data services across the country. Globe in the Philippines continues to take share, thanks to increased network investment and innovative offerings.

Having made our own earlier transition from mobile telephony to mobile internet, the Group continues to work with our associates

to navigate and monetise this shift from voice to data. We remain confident that emerging market growth and increased digital adoption will continue to see our associates contribute positively to our Group.

NEW GROWTH ON THE ENTERPRISE HORIZON

Our Group Enterprise business proved robust for the year despite slower economic growth and more cautious business spending. Our new ICT businesses in cloud and cyber security gave us that extra edge, helping us maintain our leadership in Singapore while strengthening our position in the Asia Pacific region.

Cloud revenues grew as businesses and organisations moved rapidly from legacy on-premise IT systems to flexible cloud-based storage to manage costs and drive productivity. We were well-positioned to capture this shift, having invested in a suite of cloud migration and delivery capabilities over the past two years.

Besides having to host and manage these services, we also had to secure them. This is where our investments in cyber security are also starting to pay off, supported by our ability to monitor traffic flows through our networks, and our trusted relationships with existing enterprise customers. In September 2015, we made a strategic move in acquiring Trustwave, a leading independent cyber security player with business in the US and around the world. A key priority for us this year is to leverage this Trustwave acquisition to create a global platform that can provide managed security services – 24/7.

Our move into Smart Nation solutions also made headway. This year, we secured a significant contract from the Singapore government to build the Land Transport Authority's next-generation Electronic Road Pricing or ERP project. Leading a consortium, we will build a system that will harness satellite tracking and our 4G network to collect and disseminate real-time traffic information. This will be the first time in the world that these capabilities will be implemented nationwide in an urban environment.

As Singapore moves towards becoming a Smart Nation, the majority of our customers are already on fibre broadband, enjoying ultra-high speeds and more competitive pricing levels. We have, in past years, enabled this nationwide fibre rollout through NetLink Trust, which owns our passive fibre infrastructure but operates as an independently managed business trust. This nationwide fibre network which now passes all homes in Singapore forms the backbone of the Singapore government's Smart Nation initiative. For regulatory reasons, we will progress plans to divest our stake in NetLink Trust to less than 25% by April 2018.

REFINING OUR DIGITAL STRATEGIES

Over the past four years, we have refined our digital strategy to focus on areas that contribute back to our core business and best leverage our telecom assets: digital marketing, OTT video and data analytics.

Amobee, our global digital marketing business, recorded strong growth in FY 2016 as it gained further traction among brands looking to increase the efficiency and effectiveness of their

advertising spend across new and multiple media platforms, be it social, mobile, video or email.

HOOQ, our OTT video joint venture with Sony Pictures Television and Warner Bros. Entertainment, is now available across Asia's most populous countries: India, Indonesia, the Philippines and Thailand, steadily adding more video streaming subscribers.

DataSpark, our advanced analytics start-up, is scoring more contracts from both public and private sector companies, which are using anonymised and aggregated telco data to gain insights that sharpen their business and operations planning.

While the results so far have been encouraging, it will be some time before all these businesses can ramp up to global scale and contribute meaningfully to our bottom line. We will continually review the progress of these investments.

Meanwhile, Singtel Innov8, our corporate venture fund, will continue to identify the latest innovations, products and technologies – giving the Group first dibs into monetisable new businesses that will augment our core business or further build on our digital strategy.

STRENGTHENING OUR TEAM

Our people are the foundation of our success. And I truly believe we have the right people and leadership with the necessary instincts for collaborating and innovating our way forward. Even so, we continue to develop the right talent and capabilities to help grow our company.

We have put in place long-term initiatives to attract and develop necessary talent in cyber security, cloud and analytics, having identified these as new growth areas for the business. Our employee engagement score for FY 2016 has improved further, and is quickly closing the gap with the benchmarks for top Global High Performing Companies. We have an energised team, excited about our future, and ready and willing to drive our necessary transformations.

CONTRIBUTING TO OUR COMMUNITIES

Our operations touch millions of lives in the region and it is important for us to give

“It’s not been business as usual at Singtel given the plethora of technological and business disruptions thrown our way by the digital economy. But we have learned much about how to handle continuous change while maintaining a strong financial performance.”

back to the communities that support us and our businesses. Our CSR activities focus on safeguarding the well-being of internet users, particularly vulnerable children and youth, as well as helping persons with disabilities find gainful employment by providing the necessary training in new technologies.

We have a strong volunteerism programme across both Singapore and Australia. In Optus, this centres on mentoring youth through the Australian Business and Community Network. In Singapore, we are heartened to see a 15% increase in the number of volunteering hours committed by staff. This, as we mark the 15th anniversary of our corporate philanthropy programme, the Singtel Touching Lives Fund. Since we started, we have raised over S\$33 million to help children and young people with special needs. We are celebrating this important milestone with our staff, and encouraging more of them to get involved in our future initiatives.

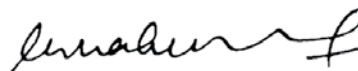
WINNING IN A DIGITAL WORLD

It’s not been business as usual at Singtel given the plethora of technological and business disruptions thrown our way by the digital economy. But we have learned much about how to handle continuous change while maintaining a strong financial performance.

I would like to thank the Board for their guidance, and our management and staff who have applied the best of themselves to the job at hand, knowing that nothing worth having comes easy. To our partners, thank you for staying the course with us.

I’m confident that the changes we have made put us in a far stronger position today to evolve our large and complex business, to answer further challenges so that we can continue to create value for you, our shareholders.

Yours sincerely,



Chua Sock Koong
Group Chief Executive Officer

Who We Are

Singtel, as you know today, had its beginnings more than 130 years ago as Singapore's first and only telecommunications provider. Today, we have become much more than just that. Going beyond Singapore's shores decades ago, we have become a global communications company with an expanded presence in many cities worldwide – including Asia, Australia and Africa, deriving over three quarters of our revenue⁽¹⁾ from overseas. Together with our regional mobile associates, we now reach over 600 million customers, shaping how they communicate each day. Over time, we have evolved in tandem with the changing face of info-communications and now provide more than traditional telco services. We are also involved in emerging digital areas that suit the evolving needs of our consumers and businesses.

137  years
of operating
experience

Airtel has
operations in
17 African
countries

Over
600 million
mobile customers in 25 countries

46 global offices
 in **21** countries

Over **200** points of presence
in **160** cities
to serve enterprises

Over **70%** of earnings from operations outside of Singapore

33% ownership
mobile customers:
251m (India)
10m (South Asia)
81m (International)
24% market share in India
#1 in India



4.1m mobile customers
50% market share
0.6m broadband customers
76% market share

#1 in Singapore



#2 in Philippines

47% effective economic interest ⁽²⁾
57m mobile customers
46% market share



#1 in Indonesia

35% ownership
154m mobile customers
48% market share

AIS

#1 in Thailand

23% ownership
39m mobile customers
47% market share



#2 in Australia

100% ownership
9.3m mobile customers
30% market share
1.1m broadband customers

Over **25,000** employees
from more than **90** countries



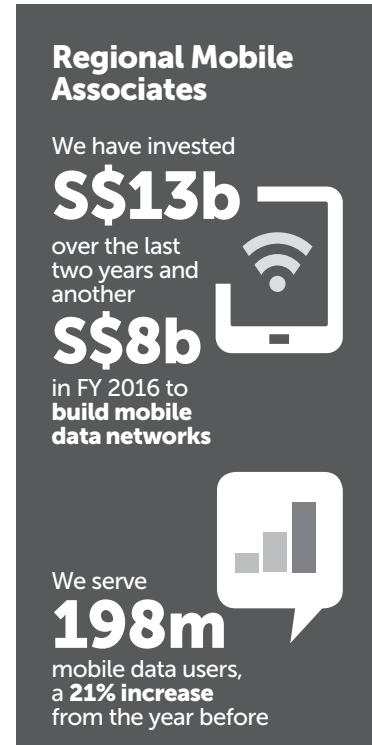
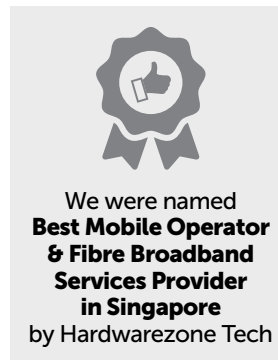
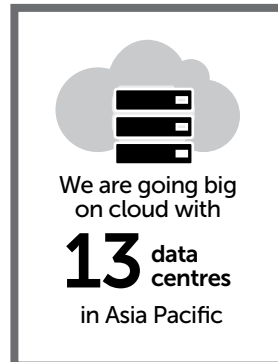
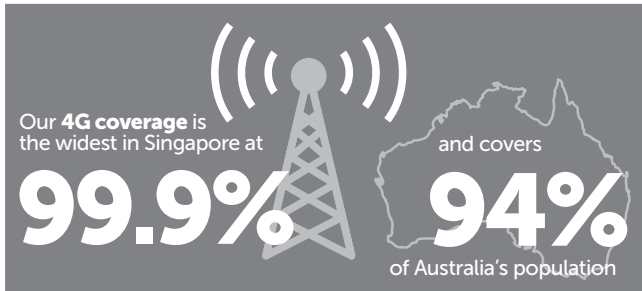
Notes:

⁽¹⁾ Proportionate revenue if regional mobile associates are consolidated based on Singtel's equity interests.
⁽²⁾ Singtel has a 21.5% effective stake in Globe's voting shares.

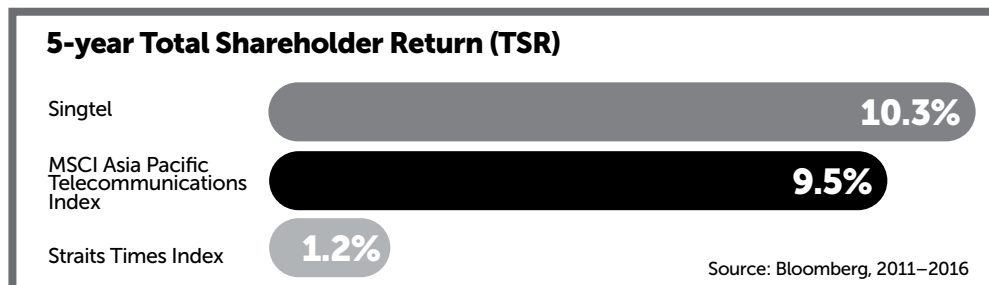
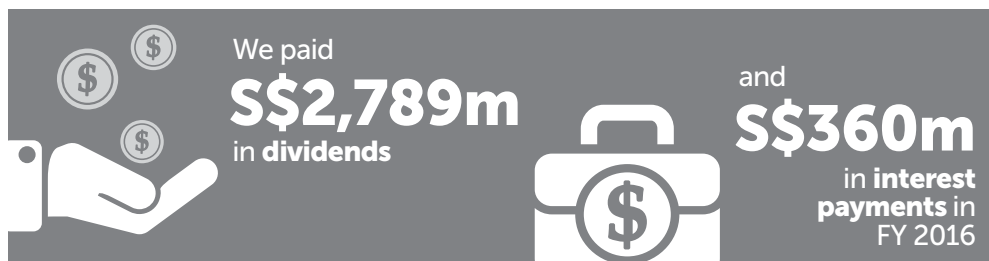
The Value We Create

In the midst of disruptive change, Singtel not only focuses on connecting people and enabling businesses, but creating value for those who believe in what we do – from our customers to our investors to our people and the many societies in which we operate.

For Our Customers



For Our Investors



For Our People

We invested **\$22m** to train staff in Singapore and Australia



and our staff clocked **683,000** learning hours




We are building a talent pipeline

54 students were supported under the **Singtel Cadet Scholarship Programme**

30 students are currently sponsored under the **Singtel Undergraduate Scholarship Programme**

We support diversity

Over **25,000** employees of more than **90** different nationalities

35% of our employees are female

1/3 of our Board of Directors are female





199 graduates have been hired since 2008 as **Management Associates**

110 interns have been hired under the **Singtel SHINE Internship Programme**




For Our Society

We contributed **\$36m** in community investment

and **\$20m** to National Gallery Singapore

We spent **32,000** hours in staff volunteering




We were named as one of the **2016 WORLD'S MOST ETHICAL COMPANIES**

WWW.ETHISPHERE.COM

for the sixth year running by Ethisphere Institute

We helped raise SME productivity and innovation through ICT with our **99% SME campaign**



We trained more than **100,000** students in over **200** schools

to be savvy, responsible members of the online community through our digital citizenship programmes in Singapore and Australia



Summary Financial Statement

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Summary Financial Statement

For the financial year ended 31 March 2016

IMPORTANT NOTE

The Summary Financial Statement as set out on pages 15 to 36 contains only a summary of the information in the Directors' Statement and financial statements of the Company's Annual Report. It does not contain sufficient information to allow for a full understanding of the financial position and performance of the Company or of the Group.

For further information, the full financial statements, the Independent Auditor's Report and the Directors' Statement on those financial statements in the Annual Report should be consulted. Shareholders may request a copy of the Annual Report at no additional cost by notifying the Company by 5 July 2016.

Summary Directors' Statement

1. DIRECTORS

The Directors of the Company (or "**Singtel**") in office at the date of this report are -

Simon Claude Israel (Chairman)
Chua Sock Koong (Group Chief Executive Officer)
Bobby Chin Yoke Choong
Venkataraman Vishnampet Ganesan
Christina Hon Kwee Fong (Christina Ong)
Low Check Kian
Peter Edward Mason AM ⁽¹⁾
Peter Ong Boon Kwee
Teo Swee Lian (appointed on 13 April 2015)

Fang Ai Lian and Kaikhushru Shiavax Nargolwala, who served during the financial year, retired following the conclusion of the Annual General Meeting on 21 July 2015.

Note:

⁽¹⁾ Member of the Order of Australia

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except for performance shares granted under the Singtel Performance Share Plan (the "**Singtel PSP 2003**"), the Singtel Performance Share Plan 2012 (the "**Singtel PSP 2012**") and share options granted by Amobee Group Pte. Ltd. ("**Amobee**").

Summary Financial Statement

For the financial year ended 31 March 2016

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The interests of the Directors holding office at the end of the financial year in the share capital of the Company and related corporations according to the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act were as follows -

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2016	At 1 April 2015 or date of appointment, if later	At 31 March 2016	At 1 April 2015 or date of appointment, if later
<i>The Company</i>				
<u>Singapore Telecommunications Limited</u>				
(Ordinary shares)				
Simon Claude Israel	759,338 ⁽¹⁾	683,500	1,360 ⁽²⁾	1,360
Chua Sock Koong	6,692,097 ⁽³⁾	5,692,097	4,777,845 ⁽⁴⁾	4,458,159
Bobby Chin Yoke Choong	–	–	–	–
Low Check Kian	1,490	1,490	–	–
Peter Edward Mason AM	–	100,000	–	–
Christina Ong	–	–	–	–
Peter Ong Boon Kwee	870	870	1,537 ⁽²⁾	1,537
Teo Swee Lian	1,550	1,550	–	–
(American Depositary Shares)				
Venkataraman Vishnampet Ganesan	3,341.45 ⁽⁵⁾	3,200	–	–
<i>Subsidiary Corporations</i>				
<u>Amobee Group Pte. Ltd.</u>				
(Options to subscribe for ordinary shares)				
Venkataraman Vishnampet Ganesan	750,718	–	–	–
<u>Optus Finance Pty Limited</u>				
(A\$250,000,000 4% fixed rate notes due 2022)				
Simon Claude Israel	1,600,000 ⁽⁶⁾	–	–	–
<i>Related Corporations</i>				
<u>Ascendas Funds Management (S) Limited</u>				
(Unit holdings in Ascendas Real Estate Investment Trust)				
Simon Claude Israel	1,000,000 ⁽⁷⁾	–	–	–
Chua Sock Koong	142,000	–	–	–
(S\$300,000,000 4.75% subordinated perpetual securities issued by Ascendas Real Estate Investment Trust)				
Chua Sock Koong	S\$250,000 (principal amount)	–	–	–

Summary Financial Statement

For the financial year ended 31 March 2016

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2016	At 1 April 2015 or date of appointment, if later	At 31 March 2016	At 1 April 2015 or date of appointment, if later
Mapletree Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Commercial Trust)				
Simon Claude Israel	3,456,000⁽⁶⁾	3,456,000	–	–
Bobby Chin Yoke Choong	–	–	100,000⁽²⁾	100,000
Mapletree Greater China Commercial Trust Management Ltd.				
(Unit holdings in Mapletree Greater China Commercial Trust)				
Simon Claude Israel	1,000,000⁽⁶⁾	1,000,000	–	–
Chua Sock Koong	430,000	430,000	50,000⁽²⁾	50,000
Peter Ong Boon Kwee	–	–	32,000⁽²⁾	32,000
Mapletree Industrial Trust Management Ltd.				
(Unit holdings in Mapletree Industrial Trust)				
Simon Claude Israel	990,160⁽⁶⁾	990,160	–	–
Chua Sock Koong	11,000	11,000	–	–
Bobby Chin Yoke Choong	129,600	129,600	–	–
Mapletree Logistics Trust Management Ltd.				
(Unit holdings in Mapletree Logistics Trust)				
Simon Claude Israel	1,000,000⁽⁶⁾	1,000,000	–	–
Neptune Orient Lines Limited				
(Ordinary shares)				
Bobby Chin Yoke Choong	–	–	29,489⁽²⁾	29,489
Olam International Limited				
(S\$400,000,000 in principal amount of 4.25% bonds due 2019)				
Teo Swee Lian	–	S\$250,000 (principal amount)	–	–
(Warrants over shares)				
Low Check Kian	–	–	1,932,805⁽⁸⁾	1,905,907

Summary Financial Statement

For the financial year ended 31 March 2016

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

	Holdings registered in the name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31 March 2016	At 1 April 2015 or date of appointment, if later	At 31 March 2016	At 1 April 2015 or date of appointment, if later
Singapore Airlines Limited				
(Ordinary shares)				
Simon Claude Israel	9,000 ⁽⁹⁾	9,000	–	–
Chua Sock Koong	2,000	2,000	–	–
Bobby Chin Yoke Choong	–	–	2,000 ⁽²⁾	2,000
Low Check Kian	5,600	5,600	–	–
Singapore Technologies Engineering Limited				
(Ordinary shares)				
Christina Ong	1	1	–	–
Tiger Airways Holdings Limited				
(Ordinary shares)				
Low Check Kian	–	8,325,000	–	–
(Perpetual convertible capital securities)				
Low Check Kian	–	937,500	–	–

Notes:

⁽¹⁾ 754,927 ordinary shares held in the name of Citibank Nominees Singapore Pte Ltd and 4,411 ordinary shares held in the name of DBS Nominees (Private) Limited.

⁽²⁾ Held by Director's spouse.

⁽³⁾ 688,750 ordinary shares held in the name of DBS Nominees (Private) Limited.

⁽⁴⁾ Ms Chua Sock Koong's deemed interest of 4,777,845 shares included:

(a) 28,137 ordinary shares held by Ms Chua's spouse; and

(b) An aggregate of up to 4,749,708 ordinary shares in Singtel awarded to Ms Chua pursuant to the Singtel PSP 2012, subject to certain performance criteria being met and other terms and conditions. Depending on the extent of the satisfaction of the relevant minimum performance criteria, up to an aggregate of 7,055,463 ordinary shares may be released pursuant to the conditional awards granted.

According to the Register of Directors' Shareholdings, Ms Chua had a deemed interest in 10,836,742 shares held by DBS Trustee Limited, the trustee of a trust established for the purposes of the Singtel PSP 2003 and the Singtel PSP 2012 for the benefit of eligible employees of the Group, as at 19 November 2012, being the date on which the Securities and Futures (Disclosure of Interests) Regulations 2012 (the "SFA (DOI) Regulations") came into operation. Under regulation 6 of the SFA (DOI) Regulations, Ms Chua is exempted from reporting interests, and changes in interests, in shares held by the trust, with effect from 19 November 2012.

⁽⁵⁾ 1 American Depositary Share represents 10 ordinary shares in Singtel.

⁽⁶⁾ Held in the name of Citibank Nominees Singapore Pte Ltd.

⁽⁷⁾ 100,000 units held jointly by Mr Israel and his spouse, and 900,000 units held in the name of Citibank Nominees Singapore Pte Ltd.

⁽⁸⁾ Held by Cluny Capital Limited. Mr Low Check Kian is the sole shareholder of Cluny Capital Limited.

⁽⁹⁾ 6,200 ordinary shares held in the name of Citibank Nominees Singapore Pte Ltd and 2,800 ordinary shares held in the name of DBS Nominees (Private) Limited.

According to the register of Directors' shareholdings, there were no changes to any of the above-mentioned interests between the end of the financial year and 21 April 2016.

Summary Financial Statement

For the financial year ended 31 March 2016

4. PERFORMANCE SHARES

The Executive Resource and Compensation Committee ("**ERCC**") is responsible for administering the Singtel performance share plans. At the date of this statement, the members of the ERCC are Peter Edward Mason AM (Chairman of the ERCC), Simon Claude Israel, and Teo Swee Lian.

The Singtel PSP 2003 was implemented with the approval of shareholders at the Extraordinary General Meeting held on 29 August 2003. The duration of the Singtel PSP 2003 was 10 years commencing 29 August 2003.

At the Extraordinary General Meeting held on 27 July 2012, the shareholders approved the adoption of the Singtel PSP 2012. The duration of the Singtel PSP 2012 is 10 years commencing 27 July 2012. This plan gives the flexibility to either allot and issue and deliver new Singtel shares or purchase and deliver existing Singtel shares upon the vesting of awards.

The Singtel PSP 2003 was terminated following the adoption of the Singtel PSP 2012, without prejudice to the rights of holders of awards accepted and outstanding under the Singtel PSP 2003 as at the date of such termination.

The participants of the performance share plans will receive fully paid Singtel shares free of charge, the equivalent in cash, or combinations thereof, provided that certain prescribed performance targets are met within a prescribed performance period. The performance period for the awards granted is three years, except for Restricted Share Awards which have a performance period of two years. The number of Singtel shares that will vest for each participant or category of participants will be determined at the end of the performance period based on the level of attainment of the performance targets.

From the commencement of the performance share plans to 31 March 2016, awards comprising an aggregate of 229.7 million shares and 42.6 million shares have been granted under the Singtel PSP 2003 and the Singtel PSP 2012 respectively.

Summary Financial Statement

For the financial year ended 31 March 2016

4. PERFORMANCE SHARES (Cont'd)

Performance share awards granted, vested and cancelled during the financial year, and share awards outstanding at the end of the financial year, were as follows –

Date of grant	Balance as at 1 April 2015 ('000)	Share awards granted ('000)	Additional share awards from targets exceeded ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2016 ('000)
Share award for Chairman						
(Simon Claude Israel)						
13.08.15	–	76	–	(76)	–	–
Performance shares						
(Restricted Share Awards)						
For Group Chief Executive Officer						
(Chua Sock Koong)						
26.06.12	116	–	–	(116)	–	–
21.06.13	98	–	30	(64)	–	64
23.06.14	102	–	–	–	–	102
17.06.15	–	84	–	–	–	84
	316	84	30	(180)	–	250
For other staff						
26.06.12	4,048	–	–	(3,952)	(96)	–
05.10.12	29	–	–	(29)	–	–
25.03.13	38	–	–	(38)	–	–
21.06.13	4,141	–	1,197	(2,643)	(277)	2,418
30.09.13	12	–	4	(8)	–	8
23.06.14	4,971	–	1	(72)	(488)	4,412
17.09.14	27	–	–	–	(17)	10
23.12.14	18	–	–	–	(14)	4
17.06.15	–	4,254	–	(7)	(338)	3,909
28.09.15	–	23	–	–	–	23
05.01.16	–	7	–	–	–	7
	13,284	4,284	1,202	(6,749)	(1,230)	10,791
<i>Sub-total</i>	13,600	4,368	1,232	(6,929)	(1,230)	11,041

Summary Financial Statement

For the financial year ended 31 March 2016

4. PERFORMANCE SHARES (Cont'd)

Date of grant	Balance as at 1 April 2015 ('000)	Share awards granted ('000)	Additional share awards from targets exceeded ('000)	Share awards vested ('000)	Share awards cancelled ('000)	Balance as at 31 March 2016 ('000)
Performance shares						
(Performance Share Awards)						
For Group Chief Executive Officer						
(Chua Sock Koong)						
26.06.12	1,273	–	–	(1,273)	–	–
21.06.13	1,418	–	–	–	–	1,418
23.06.14	1,423	–	–	–	–	1,423
17.06.15	–	1,659	–	–	–	1,659
	4,114	1,659	–	(1,273)	–	4,500
For other staff						
26.06.12	5,541	–	–	(5,522)	(19)	–
05.10.12	146	–	–	(146)	–	–
25.03.13	11	–	–	(11)	–	–
21.06.13	6,992	–	–	–	(97)	6,895
30.09.13	15	–	–	–	–	15
23.06.14	6,891	–	–	–	(145)	6,746
17.09.14	15	–	–	–	–	15
23.12.14	220	–	–	–	(214)	6
17.06.15	–	7,652	–	–	(90)	7,562
28.09.15	–	125	–	–	–	125
05.01.16	–	32	–	–	–	32
	19,831	7,809	–	(5,679)	(565)	21,396
Sub-total	23,945	9,468	–	(6,952)	(565)	25,896
Total	37,545	13,912	1,232	(13,957)	(1,795)	36,937

During the financial year, awards in respect of an aggregate of 10.9 million and 3.1 million shares granted under the Singtel PSP 2003 and the Singtel PSP 2012 respectively were vested. The awards were satisfied in part by the delivery of existing shares purchased from the market and in part by the payment of cash in lieu of delivery of shares, as permitted under the Singtel PSP 2003 and the Singtel PSP 2012 respectively.

As at 31 March 2016, no participant has received shares pursuant to the vesting of awards granted under the Singtel PSP 2003 and the Singtel PSP 2012 which, in aggregate, represents five per cent or more of the aggregate of -

- (i) the total number of new shares available under the Singtel PSP 2003 and the Singtel PSP 2012; and
- (ii) the total number of existing shares purchased for delivery of awards released under the Singtel PSP 2003 and the Singtel PSP 2012.

Summary Financial Statement

For the financial year ended 31 March 2016

5. SHARE OPTION PLANS

During the financial year, there were:

- (a) no options granted by the Company to any person to take up unissued shares of the Company; and
- (b) no shares issued by virtue of any exercise of options to take up unissued shares of the Company.

The particulars of the share option plans of subsidiary corporations of the Company are as follows:

Amobee Group Pte. Ltd.

In April 2015, Amobee, a wholly-owned subsidiary corporation of the Company, implemented the 2015 Long-Term Incentive Plan ("**Amobee LTI Plan**"). Under the terms of Amobee LTI Plan, options to purchase ordinary shares of Amobee may be granted to employees (including executive directors) and non-executive directors of Amobee and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the ordinary shares of Amobee on the date of grant.

From April 2015 to 31 March 2016, options in respect of an aggregate of 55.0 million of ordinary shares in Amobee have been granted to the employees and non-executive directors of Amobee and/or its subsidiaries. As at 31 March 2016, options in respect of an aggregate of 43.3 million ordinary shares in Amobee are outstanding.

Options have been granted on 10 April 2015 with an exercise price of US\$0.79 per share and on 14 October 2015 with an exercise price of US\$0.79 per share or US\$0.54 per share. The terms of the options granted to employees and non-executive directors are 10 years and 5 years from the date of grant respectively.

No ordinary shares of Amobee were issued during the financial year pursuant to the exercise of options granted under the Amobee LTI Plan. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Trustwave Holdings, Inc.

In December 2015, Trustwave Holdings, Inc. ("**Trustwave**"), a 98%-owned subsidiary corporation of the Company, implemented the Stock Option Incentive Plan ("**Trustwave ESOP**"). Under the terms of the Trustwave ESOP, options to purchase common stock of Trustwave may be granted to employees (including executive directors) and non-executive directors of Trustwave and/or any of its subsidiaries.

Options are exercisable at a price no less than 100% of the fair value of the common stock of Trustware on the date of grant.

From December 2015 to 31 March 2016, options in respect of an aggregate of 1.5 million of common stock in Trustwave have been granted to the employees of Trustwave and/or its subsidiaries. As at 31 March 2016, options in respect of an aggregate of 1.4 million of common stock in Trustwave are outstanding.

Options have been granted to employees of Trustwave and its subsidiaries on 1 December 2015 and 22 January 2016 with an exercise price of US\$16.79 per share. The term of each option granted to such employees is 10 years from the date of grant.

No common stock of Trustwave was issued during the financial year pursuant to the exercise of options granted under the Trustwave ESOP. The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

Summary Financial Statement

For the financial year ended 31 March 2016

6. AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members, all of whom are non-executive and the majority of whom, including the Chairman, are independent -

Bobby Chin Yoke Choong (Chairman of the Audit Committee)
Christina Hon Kwee Fong (Christina Ong)
Peter Ong Boon Kwee
Teo Swee Lian

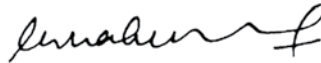
Fang Ai Lian, who served during the financial year, retired as Chairman of the Audit Committee following the conclusion of the Annual General Meeting on 21 July 2015.

The Summary Financial Statement set out on pages 15 to 36 was approved by the Board of Directors on 11 May 2016 and was signed on its behalf by -



Simon Claude Israel
Chairman

Singapore
11 May 2016



Chua Sock Koong
Director

Independent Auditor's Report

To the Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2016

The accompanying Summary Financial Statement of Singapore Telecommunications Limited (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the summary statements of financial position of the Group and the Company as at 31 March 2016, and the summary income statement and summary statement of comprehensive income of the Group for the year then ended, and related notes, are derived from the audited financial statements of the Group for the year ended 31 March 2016. We expressed an unmodified audit opinion on those financial statements in our report dated 11 May 2016.

The Summary Financial Statement does not contain all the disclosures required by Singapore Financial Reporting Standards. Reading the Summary Financial Statement, therefore, is not a substitute for reading the audited financial statements of the Group.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENT

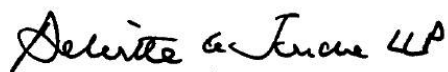
Management is responsible for the preparation of a summary of the audited financial statements in accordance with Section 203A of the Singapore Companies Act, Chapter 50 (the "**Act**"). In preparing the Summary Financial Statement, Section 203A of the Act requires that the Summary Financial Statement be derived from the annual financial statements and the Directors' Statement for the year ended 31 March 2016, be in such form and contain such information as may be specified by regulations made thereunder applicable to Summary Financial Statement.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Summary Financial Statement based on our procedures, which were conducted in accordance with Singapore Standard on Auditing 810, "Engagements to Report on Summary Financial Statements".

OPINION

In our opinion, the Summary Financial Statement is consistent, in all material respects, with the audited financial statements and the Directors' Statement of the Group for the year ended 31 March 2016 from which they are derived and comply with the requirements of Section 203A of the Act and the regulations made thereunder applicable to Summary Financial Statement.



Public Accountants and
Chartered Accountants
Singapore

11 May 2016

Summary Consolidated Income Statement

For the financial year ended 31 March 2016

	2016 S\$ Mil	2015 S\$ Mil
Operating revenue	16,961.2	17,222.9
Operating expenses	(12,096.8)	(12,283.6)
Other income	148.3	151.4
	5,012.7	5,090.7
Depreciation and amortisation	(2,148.8)	(2,161.4)
Exceptional items	(44.8)	14.8
Profit on operating activities	2,819.1	2,944.1
Share of results of associates and joint ventures	2,026.6	1,735.3
Profit before interest, investment income (net) and tax	4,845.7	4,679.4
Interest and investment income (net)	94.7	92.8
Finance costs	(359.6)	(309.2)
Profit before tax	4,580.8	4,463.0
Tax expense	(722.5)	(678.5)
Profit after tax	3,858.3	3,784.5
Attributable to -		
Shareholders of the Company	3,870.8	3,781.5
Non-controlling interests	(12.5)	3.0
	3,858.3	3,784.5
Earnings per share attributable to shareholders of the Company		
- basic (cents)	24.29	23.73
- diluted (cents)	24.26	23.67

Summary Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2016

	2016 S\$ Mil	2015 S\$ Mil
Profit after tax	3,858.3	3,784.5
Other comprehensive (loss)/ income:		
Items that may be reclassified subsequently to income statement:		
Exchange differences arising from translation of foreign operations and other currency translation differences	(728.0)	(519.8)
Cash flow hedges		
- Fair value changes during the year	(23.3)	499.8
- Tax effects	(10.0)	(32.4)
	(33.3)	467.4
- Fair value changes transferred to income statement	21.1	(363.8)
- Tax effects	11.1	31.3
	32.2	(332.5)
	(1.1)	134.9
Available-for-sale investments		
- Fair value changes during the year	(87.5)	21.8
Share of other comprehensive income of associates and joint ventures	81.5	139.0
Other comprehensive loss, net of tax	(735.1)	(224.1)
Total comprehensive income	3,123.2	3,560.4
Attributable to -		
Shareholders of the Company	3,136.7	3,556.9
Non-controlling interests	(13.5)	3.5
	3,123.2	3,560.4

Summary Statements of Financial Position

As at 31 March 2016

	Note	Group		Company	
		2016 S\$ Mil	2015 S\$ Mil	2016 S\$ Mil	2015 S\$ Mil
Current assets					
Cash and cash equivalents		461.8	562.8	83.7	83.5
Trade and other receivables		4,366.4	3,885.2	3,029.4	2,442.4
Derivative financial instruments		17.5	29.8	9.5	29.9
Inventories		319.7	289.8	21.5	26.8
		5,165.4	4,767.6	3,144.1	2,582.6
Non-current assets					
Property, plant and equipment		11,154.0	10,683.2	2,171.4	2,047.2
Intangible assets		12,968.4	11,948.6	0.3	0.7
Subsidiaries		—	—	14,182.3	13,515.0
Associates		356.3	275.2	603.5	603.5
Joint ventures		10,729.9	10,571.0	21.2	22.1
Available-for-sale investments		147.5	268.3	35.1	43.6
Derivative financial instruments		622.6	742.1	321.0	463.5
Deferred tax assets		692.3	803.8	—	—
Loan to an associate		1,100.5	1,610.5	1,100.5	1,610.5
Other non-current receivables		628.8	396.5	175.4	182.6
		38,400.3	37,299.2	18,610.7	18,488.7
Total assets		43,565.7	42,066.8	21,754.8	21,071.3
Current liabilities					
Trade and other payables		4,594.0	4,458.5	1,582.2	1,386.2
Advance billings		800.2	614.0	76.2	68.9
Provision		3.1	5.8	2.2	3.4
Current tax liabilities		364.4	419.4	94.1	140.2
Borrowings (unsecured)		595.5	150.0	—	—
Borrowings (secured)		90.2	24.4	1.5	1.5
Derivative financial instruments		24.6	16.8	13.7	1.9
Net deferred gain		67.9	67.9	—	—
		6,539.9	5,756.8	1,769.9	1,602.1
Non-current liabilities					
Borrowings (unsecured)		9,019.0	8,590.9	747.2	925.2
Borrowings (secured)		236.0	213.5	158.8	160.4
Advance billings		265.5	265.3	139.5	150.8
Net deferred gain		1,323.3	1,369.8	—	—
Derivative financial instruments		316.2	265.4	416.7	447.3
Deferred tax liabilities		585.3	521.7	270.5	248.9
Other non-current liabilities		278.0	315.5	18.4	30.0
		12,023.3	11,542.1	1,751.1	1,962.6
Total liabilities		18,563.2	17,298.9	3,521.0	3,564.7
Net assets		25,002.5	24,767.9	18,233.8	17,506.6
Share capital and reserves					
Share capital	3	2,634.0	2,634.0	2,634.0	2,634.0
Reserves		22,355.2	22,099.3	15,599.8	14,872.6
Equity attributable to shareholders of the Company					
Non-controlling interests		24,989.2	24,733.3	18,233.8	17,506.6
Other reserve		35.7	34.6	—	—
		(22.4)	—	—	—
Total equity		25,002.5	24,767.9	18,233.8	17,506.6

Selected Notes to the Summary Financial Statement

For the financial year ended 31 March 2016

1. BASIS OF PREPARATION

The accounting policies have been consistently applied by the Group, and are consistent with those used in the previous financial year. The adoption of the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS which were mandatory from 1 April 2015 had no significant impact on the financial statements of the Group or the Company in the current financial year.

2. KEY MANAGEMENT PERSONNEL COMPENSATION

	Group	
	2016 S\$ Mil	2015 S\$ Mil
Key management personnel compensation ⁽¹⁾		
Executive director ⁽²⁾	6.4	5.6
Other key management personnel ⁽³⁾	11.3	10.4
	17.7	16.0
Directors' remuneration ⁽⁴⁾	2.6	2.5
	20.3	18.5

Notes:

⁽¹⁾ Comprise base salary, annual wage supplement, bonus, contributions to defined contribution plans and other benefits, but exclude performance share and share option expenses disclosed below.

⁽²⁾ The Group Chief Executive Officer, an executive director of Singtel, was awarded up to 1,743,040 (2015: 1,524,760) ordinary shares of Singtel pursuant to Singtel performance share plans during the year, subject to certain performance criteria including other terms and conditions being met. The performance share expense computed in accordance with FRS 102, *Share-based Payment*, was S\$1.7 million (2015: S\$6.0 million).

⁽³⁾ The other key management personnel of the Group comprise the Group Chief Corporate Officer, the Chief Executive Officer of Consumer Australia and the Chief Executive Officer of Group Enterprise.

The other key management personnel were awarded up to 2,216,951 (2015: 1,939,323) ordinary shares of Singtel pursuant to Singtel performance share plans during the year, subject to certain performance criteria including other terms and conditions being met. The performance share expense computed in accordance with FRS 102, *Share-based Payment*, was S\$2.1 million (2015: S\$7.5 million).

⁽⁴⁾ Directors' remuneration comprised the following:

(i) Directors' fees of S\$2.6 million (2015: S\$2.5 million), including fees paid to certain directors in their capacities as members of Optus Advisory Committee and Technology Advisory Panel, and director of Singtel Innov8 Pte. Ltd.

(ii) Car-related benefits of Chairman of S\$21,879 (2015: S\$18,089).

In addition to the directors' remuneration, Venkataraman Vishnampet Ganesan, a non-executive director of Singtel, was awarded 750,718 (2015: Nil) of share options pursuant to the Amobee LTI Plan during the year, subject to certain terms and conditions being met. The share option expense computed in accordance with FRS 102, *Share-based Payment*, was S\$0.1 million (2015: Nil).

3. SHARE CAPITAL

Group and Company	2016		2015	
	Number of shares Mil	Share capital S\$ Mil	Number of shares Mil	Share capital S\$ Mil
Balance as at 1 April and 31 March	15,943.5	2,634.0	15,943.5	2,634.0

Selected Notes to the Summary Financial Statement

For the financial year ended 31 March 2016

4. DIVIDENDS

	Group		Company	
	2016 S\$ Mil	2015 S\$ Mil	2016 S\$ Mil	2015 S\$ Mil
Final dividend of 10.7 cents (2015: 10.0 cents) per share, paid	1,705.4	1,593.8	1,705.9	1,594.3
Interim dividend of 6.8 cents (2015: 6.8 cents) per share, paid	1,083.8	1,083.7	1,084.2	1,084.2
	2,789.2	2,677.5	2,790.1	2,678.5

During the financial year, a final one-tier tax exempt ordinary dividend of 10.7 cents per share, totalling S\$1.71 billion was paid in respect of the previous financial year ended 31 March 2015, and an interim one-tier tax exempt ordinary dividend of 6.8 cents per share totalling S\$1.08 billion was paid in respect of the current financial year ended 31 March 2016.

The amount paid by the Group differed from that paid by the Company due to dividends on performance shares held by the Trust that were eliminated on consolidation of the Trust.

The Directors have proposed a final one-tier tax exempt ordinary dividend of 10.7 cents per share, totalling approximately S\$1.71 billion in respect of the current financial year ended 31 March 2016 for approval at the forthcoming Annual General Meeting.

These financial statements do not reflect the above final dividend payable of approximately S\$1.71 billion, which will be accounted for in the shareholders' equity as an appropriation of 'Retained Earnings' in the next financial year ending 31 March 2017.

Selected Notes to the Summary Financial Statement

For the financial year ended 31 March 2016

5. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the Group had the following significant transactions and balances with related parties –

	Group	
	2016 S\$ Mil	2015 S\$ Mil
Income		
Subsidiaries of ultimate holding company		
Telecommunications	110.2	100.7
Rental and maintenance	29.5	29.5
Associates and joint ventures		
Telecommunications	41.8	157.3
Interest on loan	40.5	35.3
Expenses		
Subsidiaries of ultimate holding company		
Telecommunications	54.1	61.4
Utilities	95.2	109.4
Associates and joint ventures		
Telecommunications	189.0	193.4
Transmission capacity	30.8	18.7
Postal	8.3	8.7
Rental	4.3	4.0
Acquisition of shares in a joint venture	214.2	–
Due from subsidiaries of ultimate holding company	24.3	18.3
Due to subsidiaries of ultimate holding company	13.3	15.8

In March 2016, Singtel received a dividend distribution of S\$60 million from NetLink Trust, a 100%-owned associate of Singtel, which was offset against an amount due to NetLink Trust. In addition, Singtel also received a partial loan repayment of S\$510 million from NetLink Trust.

In October 2014, Singtel sold certain infrastructure assets to NetLink Trust for an aggregate consideration of S\$280 million. The aggregate consideration paid by NetLink Trust was financed by an interest-bearing loan from Singtel.

All the above transactions were on normal commercial terms and conditions and market rates.

Please refer to **Note 2** for information on key management personnel compensation.

Extract of the Independent Auditor's Report

On the Full Financial Statements

For the financial year ended 31 March 2016

An unmodified audit report dated 11 May 2016 has been issued on the full financial statements of Singapore Telecommunications Limited and its subsidiaries for the financial year ended 31 March 2016. The audit report is reproduced as follows:

Independent Auditor's Report

To the Members of Singapore Telecommunications Limited

For the financial year ended 31 March 2016

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Singapore Telecommunications Limited (the "**Company**") and its subsidiaries (the "**Group**") which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2016, and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "**Act**") and Financial Reporting Standards in Singapore ("**FRSs**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2016, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Extract of the Independent Auditor's Report

On the Full Financial Statements

For the financial year ended 31 March 2016

Key Audit Matters

Revenue recognition

We have identified three critical areas in relation to revenue set out below that we consider significant either because of the complexity of the operation of billing systems or because of the required exercise of judgement:

- accounting for long-term contracts, particularly with respect to Group Enterprise Infocomm Technology ("ICT") projects;
- accounting for new products and tariffs introduced in the year; and
- the timing of revenue recognition.

The accounting policies for revenue recognition are set out in Note 2.20 to the financial statements and the different revenue streams for the Group have been disclosed in Note 4 to the financial statements.

Our audit performed and responses thereon

Our audit approach included both controls testing and substantive procedures as follows:

- We performed procedures to identify Group Enterprise ICT contracts which may exhibit areas of audit interest such as low and/ or significant change in margins, loss making contracts, and accounts with high accrued revenue amongst others. We challenged the assumptions and judgements underpinning forecast performance of the identified contracts and the adequacy of contract loss provisions.
- We evaluated the relevant IT systems and the design and operating effectiveness of controls over the capture and recording of revenue transactions. In doing so, we involved our IT specialists to assist in the audit of automated controls, including interface controls between different IT applications.
- We evaluated the business process controls in place over the authorisation of rate changes, the introduction of new plans and the input of this information to billing systems. We tested the access controls and change management controls for the Group's billing systems.
- We tested samples of customer bills for accuracy for new products and tariffs introduced in the year.
- We tested key reconciliations used by management to assess the completeness and accuracy of revenue, including testing the period in which it is reported.
- We tested supporting evidence for manual journal entries posted to revenue accounts to identify any unusual items.

We have validated and are satisfied with the assumptions and key management estimates adopted where revenue is recognised on a percentage of completion basis.

We have not noted any significant deficiency in the relevant IT systems and business process controls of the relevant revenue streams.

No exceptions were noted in the key reconciliations and manual journal entries which may result in significant misstatements in revenue recorded in the year.

Extract of the Independent Auditor's Report

On the Full Financial Statements

For the financial year ended 31 March 2016

Key Audit Matters

Acquisition of Trustwave – purchase price allocation

In September 2015, the Group completed the acquisition of Trustwave Holdings, Inc. ("**Trustwave**"). FRS 103 *Business Combinations* requires the Group to recognise the identifiable assets, liabilities and contingent liabilities at fair value at the date of acquisition, with the excess of the acquisition cost over the identified fair values recognised as goodwill. This requires a significant amount of management estimation, particularly in relation to the identification and valuation of intangible assets and assignment of their useful lives. The intangible assets and goodwill recognised amounted to S\$186.8 million and S\$1,069.8 million, respectively.

The Group's disclosure of the business combination accounting applied to the acquisition of Trustwave is set out in Note 1(a) to the consolidated statement of cash flows.

Taxation

The Group's subsidiaries, associates and joint ventures have operations across a large number of jurisdictions and are subject to periodic challenges by local tax authorities.

The Group is currently responding to an ongoing specific issue audit by the Australian Taxation Office ("**ATO**") in connection with the acquisition financing of Singtel Optus Pty Limited ("**Optus**"). The Group has engaged and involved external specialists to advise management on this specific issue audit and in its responses to the ATO. Evaluation of the outcome of the specific issue audit, and whether the risk of loss is remote, possible or probable, requires significant judgement given the complexities involved.

The Group has made disclosures on the above matter in Note 40(b) to the financial statements.

Our audit performed and responses thereon

We have discussed with management and their external specialists on the purchase price allocation, and engaged our valuation specialists to assist in the audit of the purchase price allocation, including the identification and valuation of intangible assets acquired. We challenged the appropriateness of the useful lives assigned to the identified intangible assets, having regard to the expected use of these assets.

Based on our procedures, we noted that the purchase price allocation has been performed in accordance with FRS 103 *Business Combinations*, including the disclosures thereon, and that the intangible assets identified are appropriate and within expectations for the industry. We also noted management's key assumptions applied in the purchase price allocation in arriving at the fair value of the assets acquired and liabilities assumed, including the fair valuation of identified intangible assets, to be within a reasonable range of our audit expectations.

We have involved our tax specialists to assist us in assessing the judgements taken by management in reaching their conclusion that the specific issue audit by the ATO represents a contingent liability of the Group. We have examined the advice obtained by management from the Group's tax specialists to support the judgement taken, and have discussed the merits of the case with the specialists. Based on our procedures, we believe that the position taken by the Group is appropriate.

We have also assessed and validated the adequacy and appropriateness of the disclosures made in the financial statements.

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On the Full Financial Statements

For the financial year ended 31 March 2016

Key Audit Matters

Goodwill impairment review

Under FRSs, the Group is required to annually test goodwill for impairment. This assessment requires the exercise of significant judgement about future market conditions, including growth rates and discount rates, particularly those affecting the business of Optus, Amobee, Inc. and Trustwave. The aggregated goodwill in Optus, Amobee, Inc. and Trustwave constituted 25.3% of the Group's total assets at 31 March 2016.

The key assumptions to the impairment test and the sensitivity of changes in these assumptions to the risk of impairment are disclosed in Note 23 to the financial statements.

Our audit performed and responses thereon

Our audit procedures focused on evaluating and challenging the key assumptions used by management in conducting the impairment review. These procedures included:

- using our valuation specialists to independently develop expectations for the key macro-economic assumptions used in the impairment analysis, in particular the discount rate and long-term growth rate, and comparing the independent expectations to those used by management;
- challenging the cash flow forecasts used, with comparison to recent performance, trend analysis and market expectations; and
- by reference to prior years' forecasts, where relevant, assessing whether the Group has achieved them.

Based on our procedures, we noted management's key assumptions to be within a reasonable range of our expectations.

We have also assessed and validated the adequacy and appropriateness of the disclosures made in the financial statements.

Bharti Airtel – goodwill impairment evaluation and regulatory and tax disputes

Bharti Airtel Limited ("**Airtel**"), a joint venture of the Group, has recorded significant goodwill arising from the acquisition of Airtel Africa in June 2010 and reported contingent liabilities, of which the Group's share is considered material.

This goodwill recorded by Airtel is required to be tested for impairment at least annually. As the amount of goodwill recorded is material, an impairment thereof may materially affect the Group's share of the joint venture's results. The impairment assessment requires the exercise of significant judgement about future market conditions, including growth rates and discount rates applicable in a number of markets in Africa. The Group's carrying value in Airtel is disclosed in Note 22 to the financial statements.

The reported contingent liabilities from Airtel include both regulatory and tax disputes that mainly arose from its operations in India and certain markets in Africa. Airtel have engaged and involved specialists to advise them on such disputes and to assess whether the risk of loss is remote, possible or probable. Such assessment requires significant judgement given the complexities involved. The Group's share of Airtel's contingencies have been disclosed in Note 41(a) to the financial statements.

Our audit procedures included the review of relevant working papers of the auditors of Airtel (the "**Component Auditors**"), with particular focus on those related to the goodwill impairment review and regulatory and tax disputes. We also discussed with Airtel management, Component Auditors and specialists used by them, including those engaged to assist the Component Auditors in evaluating the contingencies and those assessing the assumptions adopted in the goodwill impairment model prepared by Airtel management.

We also reviewed legal advices received by Airtel for certain of the key contingencies that are significant to the Group, including evaluating the adequacy of disclosure thereon.

The Group's share of Airtel's results is calculated based on Airtel's audited financial statements on which the Component Auditors have expressed an unmodified opinion.

Extract of the Independent Auditor's Report

On the Full Financial Statements

For the financial year ended 31 March 2016

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Extract of the Independent Auditor's Report

On the Full Financial Statements

For the financial year ended 31 March 2016

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

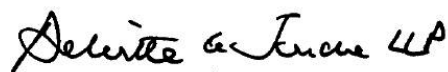
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this Independent Auditor's Report is Mr Chaly Mah Chee Kheong.



Public Accountants and
Chartered Accountants
Singapore

11 May 2016

Shareholder Information

As at 30 May 2016

ORDINARY SHARES

Number of ordinary shareholders	303,732
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Voting rights:

On a show of hands – every member present in person and each proxy shall have one vote

On a poll – every member present in person or by proxy shall have one vote for every share he holds or represents (The Company cannot exercise any voting rights in respect of shares held by it as treasury shares)

Singtel shares are listed on Singapore Exchange Securities Trading Limited. Prior to 5 June 2015, Singtel shares were listed on ASX Limited (ASX) (in the form of CHESS Depository Interests). Singtel delisted from the ASX on 5 June 2015.

SUBSTANTIAL SHAREHOLDERS

	No. of shares	
	Direct interest	Deemed interest
Temasek Holdings (Private) Limited	8,132,818,602	18,761,561 ⁽¹⁾

Note:

⁽¹⁾ Deemed through interests of subsidiaries and associated companies.

MAJOR SHAREHOLDERS LIST – TOP 20

No.	Name	No. of shares held	% of issued share capital ⁽¹⁾
1	Temasek Holdings (Private) Limited	8,132,818,602	51.01
2	Citibank Nominees Singapore Pte Ltd	1,847,055,901	11.58
3	DBS Nominees (Private) Limited	1,716,685,982 ⁽²⁾	10.77
4	DBSN Services Pte Ltd	1,393,743,842	8.74
5	Central Provident Fund Board	870,587,133	5.46
6	HSBC (Singapore) Nominees Pte Ltd	651,142,118	4.08
7	United Overseas Bank Nominees (Private) Limited	336,189,021	2.11
8	BNP Paribas Securities Services	202,529,466	1.27
9	Raffles Nominees (Pte) Ltd	122,526,550	0.77
10	DB Nominees (Singapore) Pte Ltd	19,820,202	0.12
11	Bank of Singapore Nominees Pte Ltd	17,539,443	0.11
12	OCBC Nominees Singapore Private Limited	16,921,393	0.11
13	Morgan Stanley Asia (Singapore) Securities Pte Ltd	14,527,654	0.09
14	Merrill Lynch (Singapore) Pte Ltd	9,110,313	0.06
15	Societe Generale Singapore Branch	8,554,068	0.05
16	Chua Sock Koong	6,001,987	0.04
17	OCBC Securities Private Ltd	5,920,794	0.04
18	Macquarie Capital Securities (Singapore) Pte Limited	5,703,188	0.04
19	Yeo Kok Seng	4,872,110	0.03
20	Lew Yoong Keong Allen	4,772,876	0.03
		<u>15,387,022,643</u>	<u>96.51</u>

Notes:

⁽¹⁾ The percentage of issued ordinary shares is calculated based on the number of issued ordinary shares of the Company as at 30 May 2016, excluding 593,494 ordinary shares held as treasury shares as at that date.

⁽²⁾ Excludes 593,494 ordinary shares held by DBS Nominees (Private) Limited as treasury shares for the account of the Company.

Shareholder Information

As at 30 May 2016

ANALYSIS OF SHAREHOLDERS

Range of holdings	No. of holders	% of holders	No. of shares	% of issued share capital
1 - 99	2,666	0.88	104,424	0.00
100 - 1,000	244,980	80.66	59,114,979	0.37
1,001 - 10,000	48,599	16.00	158,634,794	0.99
10,001 - 1,000,000	7,441	2.45	282,075,845	1.77
1,000,001 and above	46	0.01	15,443,646,907	96.87
	303,732	100.00	15,943,576,949	100.00

Note:

Based on information available to the Company as at 30 May 2016, approximately 49% of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with. The percentage of issued ordinary shares held by the public is calculated based on the number of issued ordinary shares of the Company as at 30 May 2016, excluding 593,494 ordinary shares held as treasury shares as at that date. The percentage of such treasury shares against the total number of issued ordinary shares (excluding ordinary shares held as treasury shares) is 0.004%.

SHARE PURCHASE MANDATE

At the 23rd Annual General Meeting of the Company held on 21 July 2015 (**2015 AGM**), the shareholders approved the renewal of a mandate to enable the Company to purchase or otherwise acquire not more than 5% of the issued ordinary share capital of the Company as at the date of the 2015 AGM. As at 30 May 2016, there is no current on market buy-back of shares pursuant to the mandate.

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