SINGAPORE TELECOMMUNICATIONS LIMITED AND SUBSIDIARY COMPANIES

SGX APPENDIX 7.2 ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2019

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CONSOLIDATED INCOME STATEMENT

For the second quarter and half year ended 30 September 2019

Group (Unaudited)	Notes	Quarter 30 Sep 2019 S$ Mil	Quarter 30 Sep 2018 S$ Mil	Half Year 30 Sep 2019 S$ Mil	Half Year 30 Sep 2018 S$ Mil
Operating revenue		**4,151.9**	4,269.8	**8,264.8**	8,403.6
Operating expenses	2	**(3,039.7)**	(3,191.1)	**(6,018.1)**	(6,183.2)
Other income	3	**49.5**	49.9	**98.7**	115.1
		1,161.7	1,128.6	**2,345.4**	2,335.5
Depreciation and amortisation	4	**(641.4)**	(553.9)	**(1,285.7)**	(1,107.6)
		520.3	574.7	**1,059.7**	1,227.9
Exceptional items	5	**(10.6)**	(63.6)	**59.7**	12.9
Profit on operating activities		**509.7**	511.1	**1,119.4**	1,240.8
Share of results of associates and joint ventures	6	**(950.3)**	376.5	**(786.9)**	777.2
Net (loss)/ profit before interest, investment income (net) and tax		**(440.6)**	887.6	**332.5**	2,018.0
Interest and investment income (net)	7	**7.0**	3.6	**72.2**	25.6
Finance costs	8	**(120.8)**	(97.2)	**(236.9)**	(189.4)
Net (loss)/ profit before tax		**(554.4)**	794.0	**167.8**	1,854.2
Tax expense	9	**(119.6)**	(132.9)	**(307.0)**	(366.9)
Net (loss)/ profit after tax		**(674.0)**	661.1	**(139.2)**	1,487.3
Attributable to:					
Shareholders of the Company		**(668.1)**	667.2	**(127.0)**	1,498.7
Non-controlling interests		**(5.9)**	(6.1)	**(12.2)**	(11.4)
		(674.0)	661.1	**(139.2)**	1,487.3
Earnings per share attributable to shareholders of the Company					
- basic	10	**(4.09¢)**	4.09¢	**(0.78¢)**	9.18¢
- diluted	10	**(4.09¢)**	4.08¢	**(0.78¢)**	9.16¢

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the second quarter and half year ended 30 September 2019

Group (Unaudited)	Quarter 30 Sep 2019 S$ Mil	Quarter 30 Sep 2018 S$ Mil	Half Year 30 Sep 2019 S$ Mil	Half Year 30 Sep 2018 S$ Mil
Net (loss)/ profit after tax	**(674.0)**	661.1	**(139.2)**	1,487.3
Other comprehensive income/ (loss)				
Items that may be reclassified subsequently to income statement:				
Exchange differences arising from translation of foreign operations and other currency translation differences	**12.5**	(551.5)	**110.2**	(684.6)
Cash flow hedges				
- Fair value changes	**116.4**	24.6	**144.4**	145.9
- Tax effects	**(19.6)**	(13.0)	**(18.0)**	(18.9)
	96.8	11.6	**126.4**	127.0
- Fair value changes transferred to income statement	**(78.1)**	(51.3)	**(108.2)**	(144.0)
- Tax effects	**8.3**	14.3	**18.7**	17.5
	(69.8)	(37.0)	**(89.5)**	(126.5)
	27.0	(25.4)	**36.9**	0.5
Share of other comprehensive gain/ (loss) of associates and joint ventures	**15.5**	97.4	**(143.8)**	93.3
Items that will not be reclassified subsequently to income statement:				
Fair value changes on Fair Value through Other Comprehensive Income (**"FVOCI"**) investments	**(38.3)**	14.2	**(176.6)**	27.2
Other comprehensive income/ (loss), net of tax	**16.7**	(465.3)	**(173.3)**	(563.6)
Total comprehensive (loss)/ income	**(657.3)**	195.8	**(312.5)**	923.7
Attributable to:				
Shareholders of the Company	**(650.9)**	202.2	**(299.9)**	936.2
Non-controlling interests	**(6.4)**	(6.4)	**(12.6)**	(12.5)
	(657.3)	195.8	**(312.5)**	923.7

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2019

		Group		Company	
	Notes	As at 30 Sep 19 S$ Mil (Unaudited)	As at 31 Mar 19 S$ Mil (Audited)	As at 30 Sep 19 S$ Mil (Unaudited)	As at 31 Mar 19 S$ Mil (Audited)
Current assets					
Cash and cash equivalents		**550.9**	512.7	**65.7**	81.6
Trade and other receivables		**5,615.0**	5,992.7	**528.9**	478.8
Due from subsidiaries		**-**	-	**1,307.0**	1,482.1
Inventories		**344.2**	417.6	**34.7**	37.2
Derivative financial instruments		**411.3**	155.1	**8.0**	0.7
		6,921.4	7,078.1	**1,944.3**	2,080.4
Non-current assets					
Property, plant and equipment		**10,588.2**	11,050.4	**2,220.0**	2,250.0
Right-Of-Use assets		**2,125.7**	-	**536.1**	-
Intangible assets		**13,935.3**	14,016.7	**-**	-
Subsidiaries		**-**	-	**20,755.2**	20,009.2
Joint ventures		**11,702.4**	12,857.9	**22.8**	22.8
Associates		**2,128.8**	2,060.2	**24.7**	24.7
Fair value through other comprehensive income ("**FVOCI**") investments		**526.6**	646.9	**4.5**	5.3
Derivative financial instruments		**198.0**	283.6	**51.2**	125.9
Deferred tax assets		**249.9**	276.6	**-**	-
Other assets		**690.7**	644.4	**128.2**	130.7
		42,145.6	41,836.7	**23,742.7**	22,568.6
Total assets		**49,067.0**	48,914.8	**25,687.0**	24,649.0
Current liabilities					
Trade and other payables		**5,046.7**	5,817.1	**871.8**	1,025.1
Due to subsidiaries		**-**	-	**1,296.2**	712.4
Advance billings		**795.6**	812.1	**101.1**	89.8
Current tax liabilities		**169.9**	255.0	**94.8**	83.6
Borrowings (unsecured)	12	**4,100.9**	1,846.2	-	-
Borrowings (secured)	12	**435.9**	34.0	**57.8**	4.8
Derivative financial instruments		**31.7**	9.2	**0.1**	0.5
Net deferred gain		**20.8**	20.8	**-**	-
		10,601.5	8,794.4	**2,421.8**	1,916.2

STATEMENTS OF FINANCIAL POSITION
As at 30 September 2019

		Group		Company	
	Notes	As at 30 Sep 19 S$ Mil (Unaudited)	As at 31 Mar 19 S$ Mil (Audited)	As at 30 Sep 19 S$ Mil (Unaudited)	As at 31 Mar 19 S$ Mil (Audited)
Non-current liabilities					
Advance billings		**195.2**	197.4	**119.6**	129.2
Borrowings (unsecured)	12	**7,643.6**	8,734.4	**859.9**	786.5
Borrowings (secured)	12	**1,929.4**	49.5	**609.2**	7.7
Derivative financial instruments		**97.1**	149.5	**42.3**	191.8
Net deferred gain		**372.9**	375.0	**-**	-
Deferred tax liabilities		**517.8**	515.1	**272.8**	274.5
Other non-current liabilities		**160.6**	289.8	**20.1**	26.5
		10,916.6	10,310.7	**1,923.9**	1,416.2
Total liabilities		**21,518.1**	19,105.1	**4,345.7**	3,332.4
Net assets		**27,548.9**	29,809.7	**21,341.3**	21,316.6
Share capital and reserves					
Share capital	13	**4,127.3**	4,127.3	**4,127.3**	4,127.3
Reserves		**23,462.2**	25,710.5	**17,214.0**	17,189.3
Equity attributable to shareholders of the Company		**27,589.5**	29,837.8	**21,341.3**	21,316.6
Non-controlling interests		**(40.6)**	(28.1)	**-**	-
Total equity		**27,548.9**	29,809.7	**21,341.3**	21,316.6

STATEMENTS OF CHANGES IN EQUITY

For the second quarter ended 30 September 2019

	Attributable to shareholders of the Company										
Group - 2019 (Unaudited)	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve [2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves [3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Total Equity S$ Mil
Balance as at 1 July 2019	4,127.3	(16.1)	(85.0)	(1,669.9)	10.2	(156.3)	27,784.4	(14.4)	29,980.2	(34.3)	29,945.9
Changes in equity for the quarter											
Performance shares purchased by Trust [4]	-	(2.9)	-	-	-	-	-	-	(2.9)	-	(2.9)
Equity-settled share based payment	-	-	8.6	-	-	-	-	-	8.6	0.1	8.7
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	(0.1)
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)
Reclassification due to disposal of FVOCI Investments	-	-	-	-	-	(2.2)	2.2	-	-	-	-
Others	-	-	-	-	-	-	1.3	-	1.3	-	1.3
	-	(2.9)	8.5	-	-	(2.2)	(1,743.2)	-	(1,739.8)	0.1	(1,739.7)
Total comprehensive (loss)/ income for the quarter	-	-	-	13.0	27.0	(38.3)	(668.1)	15.5	(650.9)	(6.4)	(657.3)
Balance as at 30 September 2019	**4,127.3**	**(19.0)**	**(76.5)**	**(1,656.9)**	**37.2**	**(196.8)**	**25,373.1**	**1.1**	**27,589.5**	**(40.6)**	**27,548.9**

STATEMENTS OF CHANGES IN EQUITY
For the second quarter ended 30 September 2019

	Attributable to shareholders of the Company										
Group - 2018 (Unaudited)	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve [2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves [3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Total Equity S$ Mil
Balance as at 1 July 2018	4,127.3	(19.5)	(102.0)	(1,416.0)	(28.4)	(6.2)	28,101.2	(204.9)	30,451.5	(5.0)	30,446.5
Changes in equity for the quarter											
Performance shares purchased by the Company	-	(0.4)	-	-	-	-	-	-	(0.4)	-	(0.4)
Performance shares purchased by Trust [4]	-	(6.4)	-	-	-	-	-	-	(6.4)	-	(6.4)
Performance shares vested	-	5.6	(5.6)	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	12.8	-	-	-	-	-	12.8	0.2	13.0
Transfer of liability to equity	-	-	5.3	-	-	-	-	-	5.3	-	5.3
Performance shares purchased by Optus and vested	-	-	(0.3)	-	-	-	-	-	(0.3)	-	(0.3)
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)
Reclassification due to disposal of FVOCI Investments	-	-	-	-	-	(4.0)	4.0	-	-	-	-
Others	-	-	-	-	-	-	0.5	-	0.5	-	0.5
	-	(1.2)	12.2	-	-	(4.0)	(1,742.2)	-	(1,735.2)	0.2	(1,735.0)
Total comprehensive (loss)/ income for the quarter	-	-	-	(551.2)	(25.4)	14.2	667.2	97.4	202.2	(6.4)	195.8
Balance as at 30 September 2018	**4,127.3**	**(20.7)**	**(89.8)**	**(1,967.2)**	**(53.8)**	**4.0**	**27,026.2**	**(107.5)**	**28,918.5**	**(11.2)**	**28,907.3**

STATEMENTS OF CHANGES IN EQUITY

For the second quarter ended 30 September 2019

Company - 2019 (Unaudited)	Share Capital S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 July 2019	4,127.3	53.1	27.9	2.0	17,918.1	22,128.4
Changes in equity for the quarter						
Equity-settled share based payment	-	2.6	-	-	-	2.6
Cash paid to employees under performance share plans	-	(0.1)	-	-	-	(0.1)
Contribution to Trust (4)	-	(2.1)	-	-	-	(2.1)
Final dividend paid	-	-	-	-	(1,747.2)	(1,747.2)
Others	-	-	-	-	1.3	1.3
	-	0.4	-	-	(1,745.9)	(1,745.5)
Total comprehensive income/ (loss) for the quarter	-	-	6.2	(0.7)	952.9	958.4
Balance as at 30 September 2019	**4,127.3**	**53.5**	**34.1**	**1.3**	**17,125.1**	**21,341.3**

STATEMENTS OF CHANGES IN EQUITY

For the second quarter ended 30 September 2019

Company - 2018 (Unaudited)	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 July 2018	4,127.3	(0.3)	46.2	20.5	2.4	17,405.5	21,601.6
Changes in equity for the quarter							
Performance shares purchased by the Company	-	(0.4)	-	-	-	-	(0.4)
Performance shares vested	-	0.7	(0.7)	-	-	-	-
Equity-settled share based payment	-	-	3.1	-	-	-	3.1
Transfer of liability to equity	-	-	5.3	-	-	-	5.3
Contribution to Trust [4]	-	-	(5.3)	-	-	-	(5.3)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
	-	0.3	2.4	-	-	(1,747.2)	(1,744.5)
Total comprehensive income for the quarter	-	-	-	0.7	0.6	1,054.7	1,056.0
Balance as at 30 September 2018	**4,127.3**	-	**48.6**	**21.2**	**3.0**	**16,713.0**	**20,913.1**

Notes:

(1) 'Treasury Shares' are accounted for in accordance with SFRS(I) 1-32, *Financial Instruments: Presentation*.

(2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

(3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.

(4) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.

STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 September 2019

Group - 2019 (Unaudited)	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve [2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves [3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Total Equity S$ Mil
	Attributable to shareholders of the Company										
Balance as at 1 April 2019, previously reported	4,127.3	(31.7)	(76.3)	(1,767.5)	0.3	(10.3)	27,513.0	83.0	29,837.8	(28.1)	29,809.7
Effects of adoption of SFRS(I) 16	-	-	-	-	-	-	(215.5)	-	(215.5)	-	(215.5)
Balance as at 1 April 2019, restated	4,127.3	(31.7)	(76.3)	(1,767.5)	0.3	(10.3)	27,297.5	83.0	29,622.3	(28.1)	29,594.2
Changes in equity for the period											
Performance shares purchased by the Company	-	(1.4)	-	-	-	-	-	-	(1.4)	-	(1.4)
Performance shares purchased by Trust [5]	-	(4.2)	-	-	-	-	-	-	(4.2)	-	(4.2)
Performance shares vested	-	18.3	(18.3)	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	18.9	-	-	-	-	-	18.9	0.1	19.0
Transfer of liability to equity	-	-	4.6	-	-	-	-	-	4.6	-	4.6
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	-	-	(0.2)	-	(0.2)
Performance shares purchased by Optus and vested	-	-	(5.2)	-	-	-	-	-	(5.2)	-	(5.2)
Goodwill transferred from 'Other Reserves' to Retained Earnings' on dilution	-	-	-	-	-	-	(61.9)	61.9	-	-	-
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	(1,746.7)
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(9.9)	9.9	-	-	-	-
Others	-	-	-	-	-	-	1.3	-	1.3	-	1.3
	-	12.7	(0.2)	-	-	(9.9)	(1,797.4)	61.9	(1,732.9)	0.1	(1,732.8)
Total comprehensive income/ (loss) for the period	-	-	-	110.6	36.9	(176.6)	(127.0)	(143.8)	(299.9)	(12.6)	(312.5)
Balance as at 30 September 2019	**4,127.3**	**(19.0)**	**(76.5)**	**(1,656.9)**	**37.2**	**(196.8)**	**25,373.1**	**1.1**	**27,589.5**	**(40.6)**	**27,548.9**

STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 September 2019

Group - 2018 (Unaudited)	Attributable to shareholders of the Company											
	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Currency Translation Reserve [2] S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Other Reserves [3] S$ Mil	Total S$ Mil	Non-controlling Interests S$ Mil	Other Reserve [4] S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2018	4,127.3	(32.7)	(96.2)	(1,283.7)	(54.3)	(18.9)	27,269.4	(173.8)	29,737.1	(3.2)	(22.4)	29,711.5
Changes in equity for the period												
Performance shares purchased by the Company	-	(0.7)	-	-	-	-	-	-	(0.7)	-	-	(0.7)
Performance shares purchased by Trust [5]	-	(7.5)	-	-	-	-	-	-	(7.5)	-	-	(7.5)
Performance shares vested	-	20.2	(20.2)	-	-	-	-	-	-	-	-	-
Equity-settled share based payment	-	-	24.4	-	-	-	-	-	24.4	(0.1)	-	24.3
Transfer of liability to equity	-	-	7.8	-	-	-	-	-	7.8	-	-	7.8
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	-	-	(0.1)	-	-	(0.1)
Performance shares purchased by Optus and vested	-	-	(5.5)	-	-	-	-	-	(5.5)	-	-	(5.5)
Final dividend paid	-	-	-	-	-	-	(1,746.7)	-	(1,746.7)	-	-	(1,746.7)
Acquisition of non-controlling interests [4]	-	-	-	-	-	-	-	(27.0)	(27.0)	4.6	22.4	-
Reclassification due to disposal of FVOCI investments	-	-	-	-	-	(4.3)	4.3	-	-	-	-	-
Others	-	-	-	-	-	-	0.5	-	0.5	-	-	0.5
	-	12.0	6.4	-	-	(4.3)	(1,741.9)	(27.0)	(1,754.8)	4.5	22.4	(1,727.9)
Total comprehensive (loss)/ income for the period	-	-	-	(683.5)	0.5	27.2	1,498.7	93.3	936.2	(12.5)	-	923.7
Balance as at 30 September 2018	**4,127.3**	**(20.7)**	**(89.8)**	**(1,967.2)**	**(53.8)**	**4.0**	**27,026.2**	**(107.5)**	**28,918.5**	**(11.2)**	**-**	**28,907.3**

STATEMENTS OF CHANGES IN EQUITY
For the half year ended 30 September 2019

Company - 2019 (Unaudited)	Share Capital S$ Mil	Treasury Shares [1] S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2019, previously reported	4,127.3	(1.1)	45.2	24.2	2.0	17,119.0	21,316.6
Effects of adoption of SFRS(I) 16	-	-	-	-	-	(73.2)	(73.2)
Balance as at 1 April 2019, restated	4,127.3	(1.1)	45.2	24.2	2.0	17,045.8	21,243.4
Changes in equity for the period							
Performance shares purchased by the Company	-	(0.2)	-	-	-	-	(0.2)
Performance shares vested	-	1.3	(1.3)	-	-	-	-
Equity-settled share based payment	-	-	7.3	-	-	-	7.3
Transfer of liability to equity	-	-	4.6	-	-	-	4.6
Cash paid to employees under performance share plans	-	-	(0.2)	-	-	-	(0.2)
Contribution to Trust [5]	-	-	(2.1)	-	-	-	(2.1)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
Others	-	-	-	-	-	1.3	1.3
	-	1.1	8.3	-	-	(1,745.9)	(1,736.5)
Total comprehensive income/ (loss) for the period	-	-	-	9.9	(0.7)	1,825.2	1,834.4
Balance as at 30 September 2019	**4,127.3**	**-**	**53.5**	**34.1**	**1.3**	**17,125.1**	**21,341.3**

STATEMENTS OF CHANGES IN EQUITY

For the half year ended 30 September 2019

Company - 2018 (Unaudited)	Share Capital S$ Mil	Treasury Shares (1) S$ Mil	Capital Reserve S$ Mil	Hedging Reserve S$ Mil	Fair Value Reserve S$ Mil	Retained Earnings S$ Mil	Total Equity S$ Mil
Balance as at 1 April 2018	4,127.3	(1.0)	39.4	4.0	2.2	17,112.2	21,284.1
Changes in equity for the period							
Performance shares purchased by the Company	-	(0.7)	-	-	-	-	(0.7)
Performance shares vested	-	1.7	(1.7)	-	-	-	-
Equity-settled share based payment	-	-	8.5	-	-	-	8.5
Transfer of liability to equity	-	-	7.8	-	-	-	7.8
Cash paid to employees under performance share plans	-	-	(0.1)	-	-	-	(0.1)
Contribution to Trust (5)	-	-	(5.3)	-	-	-	(5.3)
Final dividend paid	-	-	-	-	-	(1,747.2)	(1,747.2)
	-	1.0	9.2	-	-	(1,747.2)	(1,737.0)
Total comprehensive income for the period	-	-	-	17.2	0.8	1,348.0	1,366.0
Balance as at 30 September 2018	**4,127.3**	**-**	**48.6**	**21.2**	**3.0**	**16,713.0**	**20,913.1**

Notes:

(1) 'Treasury Shares' are accounted for in accordance with SFRS(I) 1-32, *Financial Instruments: Presentation*.

(2) 'Currency Translation Reserve' relates mainly to the translation of the net assets of foreign subsidiaries, associates and joint ventures of the Group denominated mainly in Australian Dollar, Indian Rupee, Indonesian Rupiah, Philippine Peso, Thai Baht and United States Dollar.

(3) 'Other Reserves' relate mainly to goodwill on acquisitions completed prior to 1 April 2001 and the share of other comprehensive income or loss of the associates and joint ventures.

(4) This amount was a reserve for an obligation which arose from a put option written with the non-controlling shareholder of Trustwave Holdings, Inc. ("**Trustwave**"). In May 2018, the put option was exercised for the acquisition of the remaining 2% equity interest in Trustwave.

(5) DBS Trustee Limited (the "**Trust**") is the trustee of a trust established to administer the performance share plans.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the second quarter and half year ended 30 September 2019

Group (Unaudited)	Quarter 30 Sep 2019 S$ Mil	Quarter 30 Sep 2018 S$ Mil	Half Year 30 Sep 2019 S$ Mil	Half Year 30 Sep 2018 S$ Mil
Cash Flows from Operating Activities				
Net (loss)/ profit before tax	**(554.4)**	794.0	**167.8**	1,854.2
Adjustments for				
Depreciation and amortisation	**641.4**	553.9	**1,285.7**	1,107.6
Exceptional items	**(3.1)**	0.4	**(95.6)**	(105.1)
Interest and investment income (net)	**(7.0)**	(3.6)	**(72.2)**	(25.6)
Finance costs	**120.8**	97.2	**236.9**	189.4
Share of results of associates and joint ventures (post-tax)	**950.3**	(376.5)	**786.9**	(777.2)
Other non-cash items	**11.2**	13.2	**26.6**	17.5
	1,713.6	284.6	**2,168.3**	406.6
Operating cash flow before working capital changes	**1,159.2**	1,078.6	**2,336.1**	2,260.8
Changes in operating assets and liabilities				
Trade and other receivables	**(9.6)**	(16.8)	**134.2**	(118.5)
Trade and other payables	**(111.6)**	(69.1)	**(514.7)**	(221.3)
Inventories	**60.2**	55.2	**67.2**	49.6
Cash generated from operations	**1,098.2**	1,047.9	**2,022.8**	1,970.6
Payment to employees in cash under performance share plans	**(0.1)**	-	**(0.4)**	(0.1)
Dividends received from associates and joint ventures	**209.7**	227.0	**1,218.5**	1,409.1
Income tax and withholding tax paid	**(162.7)**	(244.9)	**(345.3)**	(418.4)
Net cash from operating activities	**1,145.1**	1,030.0	**2,895.6**	2,961.2
Cash Flows from Investing Activities				
Investment income received from FVOCI investments	**-**	-	**54.9**	0.1
Interest received	**1.4**	1.9	**3.3**	3.3
Investment in joint venture **(Note 1)**	**(11.8)**	-	**(746.8)**	-
Payment for acquisition of intangibles and other assets **(Note 2)**	**-**	(123.1)	**-**	(123.1)
Payment for acquisition of non-controlling interests	**-**	-	**-**	(16.1)
Proceeds/ Deferred proceeds from disposal of an associate	**2.0**	-	**4.1**	4.0
Investment in FVOCI investments	**(66.5)**	(15.3)	**(72.8)**	(24.2)
Proceeds from sale of FVOCI investments	**3.2**	3.7	**17.1**	6.5
Balance carried forward	**(71.7)**	(132.8)	**(740.2)**	(149.5)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the second quarter and half year ended 30 September 2019

Group (Unaudited)	Quarter 30 Sep 2019 S$ Mil	Quarter 30 Sep 2018 S$ Mil	Half Year 30 Sep 2019 S$ Mil	Half Year 30 Sep 2018 S$ Mil
Cash Flows from Investing Activities (continued)				
Balance brought forward	**(71.7)**	(132.8)	**(740.2)**	(149.5)
Payment for purchase of property, plant and equipment	**(375.4)**	(353.9)	**(903.0)**	(819.0)
Proceeds from sale of property, plant and equipment	**4.5**	19.7	**4.6**	137.9
Purchase of intangible assets	**(43.5)**	(40.9)	**(103.5)**	(96.2)
Withholding tax paid on intra-group interest income	**(10.2)**	(11.6)	**(10.2)**	(11.6)
Net cash used in investing activities	**(496.3)**	(519.5)	**(1,752.3)**	(938.4)
Cash Flows from Financing Activities				
Proceeds from term loans	**2,529.7**	2,878.8	**3,411.0**	3,606.2
Repayment of term loans	**(2,281.0)**	(2,533.9)	**(4,131.4)**	(4,469.5)
Proceeds from bond issue	**1,031.6**	1,177.6	**1,804.4**	1,177.6
Repayment of bonds	**-**	(137.5)	**-**	(241.0)
Increase in finance lease liabilities	**-**	11.2	**-**	11.7
Lease payments	**(87.4)**	(6.8)	**(199.1)**	(15.4)
Net proceeds from borrowings	**1,192.9**	1,389.4	**884.9**	69.6
Settlement of swap for bonds repaid	**-**	17.2	**-**	20.3
Net interest paid on borrowings and swaps	**(115.5)**	(81.3)	**(226.2)**	(177.5)
Purchase of performance shares	**(3.6)**	(7.6)	**(11.5)**	(14.5)
Final dividend paid to shareholders of the Company	**(1,746.7)**	(1,746.7)	**(1,746.7)**	(1,746.7)
Others	**1.3**	0.5	**1.3**	0.5
Net cash used in financing activities	**(671.6)**	(428.5)	**(1,098.2)**	(1,848.3)
Net change in cash and cash equivalents	**(22.8)**	82.0	**45.1**	174.5
Exchange effects on cash and cash equivalents	**(5.1)**	0.3	**(6.9)**	7.5
Cash and cash equivalents at beginning of period	**578.8**	624.6	**512.7**	524.9
Cash and cash equivalents at end of period	**550.9**	706.9	**550.9**	706.9

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

For the second quarter and half year ended 30 September 2019

Note (1): Payment for investment in a joint venture

During the current period, Singtel paid S$735 million for subscription to Airtel's rights issue based on its rights entitlement for its direct stake of 15%.

Note (2): Payments for acquisition of intangibles and other assets

During the last corresponding period, Singtel's wholly-owned subsidiary, Amobee Inc., acquired the technology platform, intellectual property and certain other assets of Videology, Inc. and its subsidiaries for S$123 million (US$90 million).

Note (3): For the purposes of the consolidated cash flow statement, cash and cash equivalents comprised:

Group (Unaudited)	As at 30 Sep 2019 S$ Mil	As at 30 Sep 2018 S$ Mil
Fixed deposits	**158.3**	199.3
Cash and bank balances	**392.6**	507.6
	550.9	706.9

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

1. BASIS OF PREPARATION

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current quarter as the most recent audited financial statements for the year ended, and as at, 31 March 2019, except for the mandatory adoption of new standards effective as of 1 April 2019. The adoption of the new standards has no significant impact on the financial statements, except for the changes as described below.

Singapore Financial Reporting Standards (International) ("SFRS(I)") 16, *Leases*

SFRS(I) 16 superceded SFRS(I) 1-17, *Leases* and the related interpretations. The standard introduces a single lease accounting model for lessees. A lessee recognises a right-of-use asset representing its rights to use the underlying asset and a lease liability representing its obligation to make lease payments in the statement of financial position. Lease liability is part of debt. Depreciation charges on the right-of-use assets and interest expense on the lease liability are recorded in the income statement. Lease payments are classified as financing cash flows in the statement of cash flows. Lessor accounting remains largely similar to the previous accounting standard. Sub-leases, however, are assessed based on the terms in the head lease and not on the characteristics of the underlying asset under SFRS(I) 16.

The Group has applied SFRS(I) 16 using the modified retrospective approach where the cumulative effects of initial application are recognised in the opening statement of financial position as at 1 April 2019, with no restatement of comparative information. The Group has elected to account for short term leases and leases of low-value assets as operating expenses on a straight line basis.

As at 1 April 2019, right-of-use assets and lease liabilities recorded under SFRS(I) 16 were S$2.23 billion and S$2.39 billion respectively.

2. OPERATING EXPENSES

The income statement included the following items -

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Impairment of trade receivables	**39.9**	40.8	**82.8**	79.2
Allowance for inventory obsolescence (net)	**1.0**	0.1	**1.9**	0.3

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

3. OTHER INCOME

Other income included the following items -

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Rental income	**0.7**	0.8	**1.6**	1.6
Net exchange gains/ (losses)	**1.2**	(1.1)	**2.0**	(1.6)
Net gains/ (losses) on disposal of property, plant and equipment	**0.1**	(0.1)	**(0.3)**	7.4

4. DEPRECIATION AND AMORTISATION

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Depreciation of property, plant and equipment	**455.8**	472.0	**922.5**	949.2
Depreciation of right-of-use assets	**94.4**	-	**188.2**	-
Amortisation of intangibles	**91.2**	81.9	**175.0**	158.4
	641.4	553.9	**1,285.7**	1,107.6

5. EXCEPTIONAL ITEMS

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Exceptional gains				
Gain on disposal of property	**1.0**	-	**6.3**	105.5
Gain on dilution of interest in joint ventures	**2.1**	-	**89.3**	-
	3.1	-	**95.6**	105.5
Exceptional losses				
Provision for contingent claims and other charges	**(6.0)**	(10.3)	**(6.0)**	(10.3)
Staff restructuring costs	**(7.7)**	(53.3)	**(29.9)**	(82.3)
	(13.7)	(63.6)	**(35.9)**	(92.6)
	(10.6)	(63.6)	**59.7**	12.9

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

6. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Share of ordinary results	**442.4**	329.9	**801.3**	745.9
Share of tax of ordinary results	**(129.8)**	(22.5)	**(216.1)**	(106.5)
Share of exceptional items (post-tax) [(1)]	**(1,262.9)**	69.1	**(1,372.1)**	137.8
	(950.3)	376.5	**(786.9)**	777.2

Note:

(1) Comprised share of exceptional items from Airtel. The share of Airtel's exceptional items for the current quarter included a provision made for regulatory demands arising from an adverse ruling on the definition of Adjusted Gross Revenue which forms the basis for payment of license fee and spectrum usage charges. Airtel, together with other operators, continues to make representations to the Indian government for relief.

7. INTEREST AND INVESTMENT INCOME (NET)

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Interest income from				
- bank deposits	**1.6**	1.8	**3.5**	3.4
- others	**0.2**	0.2	**0.5**	0.4
	1.8	2.0	**4.0**	3.8
Dividends from joint ventures	**-**	-	**10.8**	13.0
Gross dividends and income from FVOCI investments	**0.2**	-	**55.3**	0.2
Fair value (losses)/ gains on fair value hedges				
- hedged items	**(22.8)**	13.8	**(81.3)**	(3.2)
- hedging instruments	**23.1**	(13.6)	**77.9**	3.3
	0.3	0.2	**(3.4)**	0.1
Fair value (losses)/ gains on cash flow hedges				
- hedged items	**(77.7)**	(51.3)	**(107.6)**	(144.0)
- hedging instruments	**77.7**	51.3	**107.6**	144.0
	-	-	**-**	-
Other fair value gains	**1.6**	1.1	**2.2**	2.1
Other foreign exchange gains	**3.1**	0.3	**3.3**	6.4
	7.0	3.6	**72.2**	25.6

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

8. FINANCE COSTS

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Interest expense on				
- bonds	**80.3**	78.4	**154.1**	152.5
- bank loans	**13.0**	11.8	**29.2**	22.9
- finance leases	**20.2**	2.0	**41.1**	3.9
	113.5	92.2	**224.4**	179.3
Financing related costs	**4.3**	4.4	**8.1**	8.5
Effects of hedging using interest rate swaps	**3.0**	0.6	**4.4**	1.6
	120.8	97.2	**236.9**	189.4

9. TAX EXPENSE

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019 S$ Mil	2018 S$ Mil	2019 S$ Mil	2018 S$ Mil
Current and deferred tax expense attributable to current period's profits	**98.5**	96.9	**195.8**	229.5
Current and deferred tax adjustments in respect of prior years	**(0.5)**	-	**(0.5)**	(0.6)
Withholding and dividend distribution taxes on dividend income from associate and joint ventures	**21.6**	36.0	**111.7**	138.0
	119.6	132.9	**307.0**	366.9

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

10. WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

Group (Unaudited)	Quarter 30 Sep 2019 '000	Quarter 30 Sep 2018 '000	Half year 30 Sep 2019 '000	Half year 30 Sep 2018 '000
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	**16,324,491**	16,324,225	**16,322,701**	16,322,847
Adjustment for dilutive effect of performance share plans	**32,805**	25,308	**32,805**	25,308
Weighted average number of ordinary shares for calculation of diluted earnings per share	**16,357,296**	16,349,533	**16,355,506**	16,348,155

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

11. FAIR VALUE MEASUREMENTS

The Group classifies financial assets and liabilities measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels -

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (**Level 1**);

(b) inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (**Level 2**); and

(c) inputs for the asset or liability which are not based on observable market data (unobservable inputs) (**Level 3**).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

11. FAIR VALUE MEASUREMENTS (Continued)

The following table presents the assets and liabilities measured at fair value as at 30 September 2019:

Group - 30 Sep 19 (Unaudited)	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	191.5	-	-	**191.5**
- Unquoted investments	-	-	335.1	**335.1**
	191.5	-	335.1	**526.6**
Derivative financial instruments	-	609.3	-	**609.3**
	191.5	609.3	335.1	**1,135.9**
Financial liabilities				
Derivative financial instruments	-	128.8	-	**128.8**

Group - 31 Mar 19 (Audited)	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	21.9	-	-	21.9
- Unquoted investments	-	-	625.0	625.0
	21.9	-	625.0	646.9
Derivative financial instruments	-	438.7	-	438.7
	21.9	438.7	625.0	1,085.6
Financial liabilities				
Derivative financial instruments	-	158.7	-	158.7

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

11. FAIR VALUE MEASUREMENTS (Continued)

Company - 30 Sep 19 (Unaudited)	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	4.5	-	-	**4.5**
Derivative financial instruments	-	59.2	-	**59.2**
	4.5	59.2	-	**63.7**
Financial liabilities				
Derivative financial instruments	-	42.4	-	**42.4**

Company - 31 Mar 19 (Audited)	Level 1 S$ Mil	Level 2 S$ Mil	Level 3 S$ Mil	Total S$ Mil
Financial assets				
FVOCI investments				
- Quoted investments	5.3	-	-	5.3
Derivative financial instruments	-	126.6	-	126.6
	5.3	126.6	-	131.9
Financial liabilities				
Derivative financial instruments	-	192.3	-	192.3

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

11. FAIR VALUE MEASUREMENTS (Continued)

The following table presents the liabilities not measured at fair value (but with fair value disclosed) as at 30 September 2019:

30 Sep 19 (Unaudited)	Carrying Value S$ Mil	Fair value Level 1 S$ Mil	Fair value Level 2 S$ Mil	Fair value Level 3 S$ Mil	Fair value Total S$ Mil
Financial liabilities					
Group					
Bonds	**9,846.8**	8,195.3	2,009.1	-	**10,204.4**
Company					
Bonds	**859.9**	1,003.2	-	-	**1,003.2**

31 Mar 19 (Audited)	Carrying Value S$ Mil	Fair value Level 1 S$ Mil	Fair value Level 2 S$ Mil	Fair value Level 3 S$ Mil	Fair value Total S$ Mil
Financial liabilities					
Group					
Bonds	7,946.0	6,235.4	2,013.0	-	8,248.4
Company					
Bonds	786.5	936.4	-	-	936.4

Except as disclosed in the above tables, the carrying values of other financial assets and financial liabilities approximate their fair values.

Quoted and unquoted investments

The fair values of investments traded in active markets included within Level 1 were based on the market quoted price or the price quoted by the market maker at the close of business at the end of the reporting period.

The fair values of the unquoted FVOCI investments included within Level 3 were estimated primarily using recent arm's length transactions.

Derivatives

Derivatives comprise cross currency swaps, interest rate swaps and forward foreign exchange contracts which are included within Level 2.

The fair value of a cross currency or an interest rate swap is the estimated amount that the swap contract can be exchanged for or settled with under normal market conditions. This fair value can be estimated using the discounted cash flow method where the future cash flows of the swap contract are discounted at the prevailing market foreign exchange rates and interest rates. Market interest rates are actively quoted interest rates or interest rates computed by applying techniques to these actively quoted interest rates.

The fair value of forward foreign exchange contracts is determined using forward exchange market rates for contracts with similar maturity profiles at the end of the reporting period.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

11. FAIR VALUE MEASUREMENTS (Continued)

The following table presents the reconciliation for the unquoted FVOCI investments measured at fair value based on unobservable inputs (**Level 3**) -

(Unaudited)	Group 30 Sep 19 S$ Mil	 30 Sep 18 S$ Mil
FVOCI investments - unquoted		
Balance as at 1 April	**625.0**	187.9
Total gains included in 'Fair Value Reserve'	**30.4**	13.0
Additions	**18.2**	24.2
Disposals	**(0.2)**	(1.3)
Transfer out from Level 3	**(339.1)**	(9.8)
Translation differences	**0.8**	0.9
Balance as at 30 September	**335.1**	214.9

12. GROUP'S BORROWINGS AND DEBT SECURITIES

	Group		Company	
	30 Sep 19 S$ Mil (Unaudited)	31 Mar 19 S$ Mil (Audited)	30 Sep 19 S$ Mil (Unaudited)	31 Mar 19 S$ Mil (Audited)
Unsecured borrowings				
Repayable within one year	**4,100.9**	1,846.2	**-**	-
Repayable after one year	**7,643.6**	8,734.4	**859.9**	786.5
	11,744.5	10,580.6	**859.9**	786.5
Secured borrowings				
Repayable within one year	**435.9**	34.0	**57.8**	4.8
Repayable after one year	**1,929.4**	49.5	**609.2**	7.7
	2,365.3	83.5	**667.0**	12.5
	14,109.8	10,664.1	**1,526.9**	799.0

Unsecured borrowings of the Group comprise bonds and bank loans. The unsecured borrowings of the Company comprise bonds.

Secured borrowings of the Group and the Company comprise lease liabilities secured over right-of-use assets.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

13. SHARE CAPITAL AND OTHER EQUITY INFORMATION

Share Capital

Group and Company (Unaudited)	Quarter 30 Sep 19		Half year 30 Sep 19	
	Number of shares Mil	Share capital S$ Mil	Number of shares Mil	Share capital S$ Mil
Balance as at beginning and end of period	**16,329.1**	**4,127.3**	**16,329.1**	**4,127.3**

As at 30 September 2019, the issued and paid up capital excluding treasury shares comprised 16,324.4 million (30 September 2018: 16,324.1) ordinary shares.

Treasury Shares

Group (Unaudited)	Quarter 30 Sep		Half year 30 Sep	
	2019	2018	2019	2018
Balance at beginning of period	**3,970,744**	4,484,578	**8,601,289**	7,897,536
Shares transferred to employees under the Singtel Performance Share Plan 2012	**(24,393)**	(1,413,121)	**(5,501,341)**	(5,578,552)
Purchase of treasury shares	**848,890**	1,944,085	**1,695,293**	2,696,558
Balance at end of period	**4,795,241**	5,015,542	**4,795,241**	5,015,542

As at 30 September 2019, the number of treasury shares represented 0.03% (30 September 2018: 0.03%) of the total number of issued shares.

During the current quarter, 24,393 (30 September 2018: 1,413,121) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 848,890 (30 September 2018: 1,944,085) treasury shares were purchased.

During the half year ended 30 September 2019, 5,501,341 (30 September 2018: 5,578,552) treasury shares were transferred to employees upon vesting of shares released under the Singtel Performance Share Plan 2012 and 1,695,293 (30 September 2018: 2,696,558) treasury shares were purchased.

Except for the transfers, there was no other sale, disposal, cancellation and/or other use of treasury shares for the quarter and half year ended 30 September 2019.

The Company's subsidiaries do not hold shares in the Company as at 30 September 2019 and 30 September 2018.

Performance Shares

As at 30 September 2019, the number of outstanding performance shares granted under the Singtel Performance Share Plan 2012 was 35,867,626 (30 September 2018: 38,031,754).

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

14. DIVIDENDS

On 13 November 2019, the Directors approved an interim one-tier exempt ordinary dividend of 6.8 cents (FY2019: 6.8 cents) per share in respect of the current financial year ending 31 March 2020.

The financial statements for the half year ended, and as at, 30 September 2019 have not reflected these dividends. The dividends will be accounted for in shareholders' equity as an appropriation of 'Retained Earnings' in the next quarter ending 31 December 2019.

The Transfer Book and the Register of Members of the Company will be closed on 20 December 2019 for the preparation of dividend warrants. Duly completed registrable transfers of the ordinary shares in the capital of the Company received by the Company's share registrar up to 5.00 pm on 19 December 2019 will be registered to determine members' entitlements to the interim dividend.

During the half year ended 30 September 2019, a final one-tier exempt ordinary dividend of 10.7 cents per share totalling S$1.75 billion was paid in respect of the previous financial year ended 31 March 2019.

15. NET ASSET VALUE

	Group		Company	
	As at 30 Sep 19 S$ (Unaudited)	As at 31 Mar 19 S$ (Audited)	As at 30 Sep 19 S$ (Unaudited)	As at 31 Mar 19 S$ (Audited)
Net asset value per ordinary share	**1.69**	1.83	**1.31**	1.31

As at the end of the reporting period, the number of ordinary shares of the Group used for the above calculation had been adjusted to exclude treasury shares.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

16. CONTINGENT LIABILITIES OF SINGTEL AND ITS SUBSIDIARIES

(a) **<u>Guarantees</u>**

As at 30 September 2019,

(i) The Group and Company provided bankers' and other guarantees, and insurance bonds of S$583.0 million and S$239.7 million (31 March 2019: S$592.4 million and S$109.1 million) respectively.

(ii) The Company provided guarantees for loans of S$1.72 billion (31 March 2019: S$1.24 billion) drawn down under various loan facilities entered into by Singtel Group Treasury Pte. Ltd. ("**SGT**"), a wholly owned subsidiary, with maturities between December 2019 and September 2021.

(iii) The Company provided guarantees for SGT's notes issue of an aggregate equivalent amount of S$5.01 billion (31 March 2019: S$3.95 billion) due between April 2020 and August 2029.

(b) In 2016 and 2017, Singapore Telecom Australia Investments Pty Limited ("**STAI**") received amended assessments from the Australian Taxation Office ("**ATO**") in connection with the acquisition financing of Optus. The assessments comprised primary tax of A$268 million, interest of A$58 million and penalties of A$67 million. STAI's holding company, Singtel Australia Investment Ltd, would be entitled to refund of withholding tax estimated at A$89 million. STAI's objections to the amended assessments were disallowed by the ATO on 27 September 2019. Based on legal advice, STAI has appealed the ATO's objection decisions in the Federal Court of Australia on 11 November 2019. In accordance with the ATO administrative practice, STAI paid a minimum amount of 50% of the assessed primary tax on 21 November 2016. This payment continued to be recognised as a receivable as at 30 September 2019.

In December 2018, Singtel Group received additional assessments amounting to S$120 million from the Inland Revenue Authority of Singapore for reduction in group relief claims in Year of Assessment 2014. Singtel has objected to the additional assessments. The final payment due date has not been indicated by the Inland Revenue Authority of Singapore.

The Group has received advice from external experts in relation to the above matters and will vigorously defend its position. Accordingly, no provision has been made as at 30 September 2019.

(c) The Group is contingently liable for claims arising in the ordinary course of business and from certain tax assessments which are being contested, the outcome of which are not presently determinable. The Group is vigorously defending all these claims.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

17. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES

(a) Bharti Airtel Limited ("Airtel")

Airtel, a joint venture of the Group, has disputes with various government authorities in the respective jurisdictions where its operations are based, as well as with third parties regarding certain transactions entered into in the ordinary course of business.

On 8 January 2013, the local regulator, Department of Telecommunications ("**DOT**") issued a demand on Airtel Group for Rs. 52.01 billion (S$1.02 billion) towards levy of one time spectrum charge, which was further revised on 27 June 2018 to Rs. 84.14 billion (S$1.64 billion). On 4 July 2019, the Telecom Disputes Settlement and Appellate Tribunal in the similar matter of another unrelated telecom service provider, has passed an order providing partial relief and confirming the basis for the balance. Airtel, based on independent legal opinions, till date has not given any effect to the above demand.

In the opinion of Airtel, inter-alia, the above demand amounts to alteration of the terms of the licenses issued in the past. Airtel believes, based on independent legal opinion and its evaluation, that it is not probable that any material part of the claim will be awarded against Airtel and therefore, pending outcome of this matter, no provision has been recognised.

As at 30 September 2019, other taxes, custom duties, demands under adjudication, appeal or disputes, and related interest for some disputes amounted to approximately Rs. 133.7 billion (S$2.61 billion). In respect of some of the tax issues, pending final decisions, Airtel had deposited amounts with statutory authorities.

(b) Advanced Info Service Public Company Limited ("AIS")

AIS, a joint venture of the Group, has various commercial disputes and significant litigations which are pending adjudication.

CAT Telecom Public Company Limited ("**CAT**") has demanded that AIS' subsidiary, Digital Phone Company Limited ("**DPC**") pay additional revenue share of THB 3.4 billion (S$154 million) arising from the abolishment of excise tax, as well as to transfer the telecommunications systems which would have been supplied under the Concession Agreement between CAT and DPC of THB 13.4 billion (S$607 million) or to pay the same amount plus interest.

TOT Public Company Limited ("**TOT**") has demanded that AIS pay the following:

(a) additional revenue share of THB 62.8 billion (S$2.84 billion) arising from what TOT claims to be an illegality of two amendments made to the Concession Agreement, namely, Amendment 6 (regarding reduction in prepaid revenue share rate) made in 2001 and Amendment 7 (regarding deduction of roaming expense from revenue share) made in 2002, which have resulted in lower revenue share.

(b) additional charges for porting of subscribers from 900MHz to 2100MHz network of THB 41.1 billion (S$1.86 billion) plus interest.

(c) additional revenue share of THB36.2 billion (S$1.64 billion) plus interest based on gross interconnection income from 2007 to 2015.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

17. CONTINGENT LIABILITIES OF ASSOCIATE AND JOINT VENTURES (Continued)

(d) additional revenue share from disputes on roaming rates from 2013 to 2015 of THB16.3 billion (S$735 million).

As at 30 September 2019, other claims against AIS and its subsidiaries which are pending adjudication amounted to THB 21.3 billion (S$962 million).

All the above claims do not include potential interest and penalty.

AIS believes that the above claims will be settled in favour of AIS and will have no material impact to its financial statements.

(c) Intouch Holdings Public Company Limited ("Intouch")

In October 2017, Intouch and its subsidiary, Thaicom Public Company Limited ("**Thaicom**") received letters from the Ministry of Digital Economy and Society (the "**Ministry**") stating that Thaicom 7 and Thaicom 8 satellites (the "**Satellites**") are governed under the terms of a 1991 satellite operating agreement between Intouch and the Ministry which entails the transfer of asset ownership, procurement of backup satellites, payment of revenue share, and procurement of property insurance. Intouch and Thaicom have obtained legal advice and are of the opinion that the Satellites are not covered under the Agreement but instead under the licence from the National Broadcasting and Telecommunications Commission. This case is pending arbitration.

(d) Globe Telecom, Inc. ("Globe")

Globe, a joint venture of the Group, is contingently liable for various claims arising in the ordinary conduct of business and certain tax assessments which are either pending decision by the Courts or are being contested, the outcome of which are not presently determinable. In the opinion of Globe's management and legal counsel, the eventual liability under these claims, if any, will not have a material or adverse effect on Globe's financial position and results of operations.

In June 2016, the Philippine Competition Commission ("**PCC**") claimed that the Joint Notice of Acquisition filed by Globe, PLDT and San Miguel Corporation ("**SMC**") on the acquisition of SMC's telecommunications business was deficient and cannot be claimed to be deemed approved. In July 2016, Globe filed a petition with the Court of Appeals of the Philippines ("**CA**") to stop the PCC from reviewing the acquisition. In October 2017, the CA ruled in favour of Globe and PLDT, and declared the acquisition as valid and deemed approved. PCC subsequently elevated the case to the Supreme Court to review the CA's rulings.

(e) PT Telekomunikasi Selular ("Telkomsel")

As at 30 September 2019, Telkomsel, a joint venture of the Group, has filed appeals and cross-appeals amounting to approximately IDR 555 billion (S$54 million) for various tax claims arising in certain tax assessments which are pending final decisions, the outcome of which is not presently determinable.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

18. GROUP SEGMENT INFORMATION

Segment information is presented based on the information reviewed by senior management for performance measurement and resource allocation.

The Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, mainly AIS and Intouch (which has an equity interest of 40.5% in AIS) in Thailand, Airtel in India, Africa and Sri Lanka, 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, United States of America, Europe 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 services and professional consulting.

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. It focuses on three key businesses in digital life – digital marketing, regional premium over-the-top video and advanced analytics and intelligence capabilities, 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 measurement of segment results which is before exceptional items, is in line with the basis of information presented to management for internal management reporting purposes.

The costs of shared and common infrastructure are allocated to the business segments using established methodologies.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

18. GROUP SEGMENT INFORMATION (Continued)

For the half year ended 30 September 2019

Group - 30 Sep 19 (Unaudited)	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Operating revenue	4,743.4	2,931.3	590.1	-	**8,264.8**
Operating expenses	(3,192.2)	(2,154.2)	(626.1)	(45.6)	**(6,018.1)**
Other income/ (expenses)	70.6	29.3	(0.2)	(1.0)	**98.7**
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	1,621.8	806.4	(36.2)	(46.6)	**2,345.4**
Share of pre-tax results of associates and joint ventures					
- Airtel	(274.3)	-	-	-	**(274.3)**
- Telkomsel	569.9	-	-	-	**569.9**
- Globe	201.5	-	-	-	**201.5**
- AIS	196.7	-	-	-	**196.7**
- Intouch	55.1	-	-	-	**55.1**
- Others	0.2	-	-	52.2	**52.4**
	749.1	-	-	52.2	**801.3**
EBITDA and share of pre-tax results of associates and joint ventures	2,370.9	806.4	(36.2)	5.6	**3,146.7**
Depreciation and amortisation	(891.6)	(350.5)	(41.3)	(2.3)	**(1,285.7)**
Earnings before interest and tax ("EBIT")	**1,479.3**	**455.9**	**(77.5)**	**3.3**	**1,861.0**
Segment assets					
Investment in associates and joint ventures					
- Airtel	6,417.3	-	-	-	**6,417.3**
- Telkomsel	2,955.5	-	-	-	**2,955.5**
- Globe	1,265.5	-	-	-	**1,265.5**
- AIS	965.0	-	-	-	**965.0**
- Intouch	1,771.2	-	-	-	**1,771.2**
- Others	25.7	-	-	431.0	**456.7**
	13,400.2	-	-	431.0	**13,831.2**
Goodwill on acquisition of subsidiaries	9,188.3	1,227.7	1,159.2	-	**11,575.2**
Other assets	14,333.8	6,103.7	1,038.6	2,184.5	**23,660.6**
	36,922.3	**7,331.4**	**2,197.8**	**2,615.5**	**49,067.0**

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS
For the second quarter and half year ended 30 September 2019

18. GROUP SEGMENT INFORMATION (Continued)
For the half year ended 30 September 2019

Group - 30 Sep 18 (Unaudited)	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Operating revenue	4,740.7	3,091.7	571.2	-	**8,403.6**
Operating expenses	(3,282.5)	(2,237.6)	(629.9)	(33.2)	**(6,183.2)**
Other income/ (expenses)	80.7	34.5	1.0	(1.1)	**115.1**
EBITDA	1,538.9	888.6	(57.7)	(34.3)	**2,335.5**
Share of pre-tax results of associates and joint ventures					
- Airtel	(239.5)	-	-	-	**(239.5)**
- Telkomsel	528.0	-	-	-	**528.0**
- Globe	182.6	-	-	-	**182.6**
- AIS	172.5	-	-	-	**172.5**
- Intouch	50.1	-	-	-	**50.1**
- Others	0.2	-	-	52.0	**52.2**
	693.9	-	-	52.0	**745.9**
EBITDA and share of pre-tax results of associates and joint ventures	2,232.8	888.6	(57.7)	17.7	**3,081.4**
Depreciation and amortisation	(778.1)	(300.4)	(27.9)	(1.2)	**(1,107.6)**
EBIT	**1,454.7**	**588.2**	**(85.6)**	**16.5**	**1,973.8**

Group - 31 Mar 19 (Audited)	Group Consumer S$ Mil	Group Enterprise S$ Mil	Group Digital Life S$ Mil	Corporate S$ Mil	Group Total S$ Mil
Segment assets					
Investment in associates and joint ventures					
- Airtel	7,420.4	-	-	-	**7,420.4**
- Telkomsel	3,313.0	-	-	-	**3,313.0**
- Globe	1,175.7	-	-	-	**1,175.7**
- AIS	864.0	-	-	-	**864.0**
- Intouch	1,701.6	-	-	-	**1,701.6**
- Others	24.3	-	-	419.1	**443.4**
	14,499.0	-	-	419.1	**14,918.1**
Goodwill on acquisition of subsidiaries	9,190.0	1,211.0	1,137.3	-	**11,538.3**
Other assets	13,512.4	5,705.6	949.0	2,291.4	**22,458.4**
	37,201.4	**6,916.6**	**2,086.3**	**2,710.5**	**48,914.8**

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the second quarter and half year ended 30 September 2019

18. GROUP SEGMENT INFORMATION (Continued)

For the half year ended 30 September 2019

A reconciliation of the total reportable segments' EBIT to the Group's profit before tax was as follows -

Group (Unaudited)	30 Sep 19 S$ Mil	30 Sep 18 S$ Mil
EBIT	**1,861.0**	**1,973.8**
Exceptional items	59.7	12.9
Share of exceptional items of associates and joint ventures (post-tax)	(1,372.1)	137.8
Share of tax of associates and joint ventures	(216.1)	(106.5)
Profit before interest, investment income (net) and tax	**332.5**	**2,018.0**
Interest and investment income (net)	72.2	25.6
Finance costs	(236.9)	(189.4)
Profit before tax	**167.8**	**1,854.2**

The Group's revenue from its major products and services are as follows -

Group (Unaudited)	30 Sep 19 S$ Mil	30 Sep 18 S$ Mil
Mobile service	2,475.6	2,745.7
Sale of equipment	1,296.1	1,227.9
Handset operating lease income	103.8	41.3
Mobile	3,875.5	4,014.9
Data and internet	1,803.0	1,650.9
Infocomm Technology	1,412.5	1,424.0
Digital businesses	603.5	584.3
Fixed voice	376.7	488.3
Pay television	158.7	207.1
Others	34.9	34.1
Operating revenue	**8,264.8**	**8,403.6**

The Group's revenue is mainly derived from Singapore and Australia which respectively accounted for approximately 39% (30 September 2018: 38%) and 51% (30 September 2018: 52%) of the total revenue for the half year ended 30 September 2019, with the remaining 10% (30 September 2018: 10%) from the United States of America and other countries where the Group operates in. The geographical information on the Group's non-current assets is not presented as it is not used for segmental reporting purposes.

OTHER INFORMATION

19. The financial statements have not been audited or reviewed by our auditors.

20. REVIEW OF PERFORMANCE OF THE GROUP

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2019.

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

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2019.

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

Please refer to the Management Discussion and Analysis of the Group for the second quarter and half year ended 30 September 2019.

23. INTERESTED PERSON TRANSACTIONS

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

24. CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the second quarter and half year ended 30 September 2019 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Guatam Banerjee	**Chua Sock Koong**
Chairman of Audit Committee	Director

Singapore
13 November 2019