

**CIRCULAR DATED 25 JUNE 2009**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold your ordinary shares, or CHESS Units of Foreign Securities relating to ordinary shares ("**CUFS**"), in the capital of Singapore Telecommunications Limited (the "**Company**"), you should immediately forward this Circular and the Proxy Form enclosed with this Circular to the purchaser or to the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any statements made or opinions expressed in this Circular.



**SINGAPORE TELECOMMUNICATIONS LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration Number: 199201624D

**CIRCULAR TO SHAREHOLDERS AND CUFS HOLDERS**

**IN RELATION TO**

- (1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE; AND**
- (2) THE PROPOSED APPROVAL FOR PARTICIPATION BY THE RELEVANT PERSON IN THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF THE LISTING RULES OF ASX LIMITED**

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	22 July 2009 at 3.30 p.m.
Date and time of Extraordinary General Meeting	:	24 July 2009 at 3.30 p.m. (or so soon thereafter following the conclusion or adjournment of the 17th Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	NTUC Auditorium One Marina Boulevard Level 7, NTUC Centre Singapore 018989

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless otherwise stated:

<b>“Articles”</b>	:	The Articles of Association of the Company.
<b>“ASX”</b>	:	ASX Limited (ABN 98 008 624 691) or the stock market conducted by ASX Limited, as the context requires.
<b>“ASX Associate”</b>	:	An associate of a Director for the purposes of the ASX Listing Rules as described in paragraph 3.1 of the Letter to Shareholders and CUFS Holders contained in this Circular.
<b>“Broadcasting Act”</b>	:	The Broadcasting Act, Chapter 28.
<b>“CDP”</b>	:	The Central Depository (Pte) Limited.
<b>“2008 Circular”</b>	:	The Company’s Circular to Shareholders and CUFS Holders dated 26 June 2008.
<b>“Companies Act”</b>	:	The Companies Act, Chapter 50 of Singapore.
<b>“Company”</b>	:	Singapore Telecommunications Limited.
<b>“CPF”</b>	:	The Central Provident Fund Board.
<b>“CUFS”</b>	:	CHESS Units of Foreign Securities relating to Shares.
<b>“CUFS Holders”</b>	:	Holders of CUFS.
<b>“Directors”</b>	:	The directors of the Company for the time being.
<b>“EGM”</b>	:	The extraordinary general meeting of the Company, notice of which is given on pages 18 to 19 of this Circular.
<b>“2008 EGM”</b>	:	The extraordinary general meeting of the Company held on 25 July 2008.
<b>“Group”</b>	:	The Company and its subsidiaries.
<b>“IDA”</b>	:	Info-communications Development Authority of Singapore.
<b>“Individual Shareholding Limit”</b>	:	The limit of 15% of the issued Shares prescribed by the Articles in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest.
<b>“Latest Practicable Date”</b>	:	The latest practicable date prior to the printing of this Circular, being 30 April 2009.
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities.
<b>“Market Purchase”</b>	:	An on-market purchase of Shares by the Company effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose.
<b>“Maximum Price”</b>	:	The maximum price to be paid for the Shares as determined by the Directors under paragraph 2.3.4 of the Letter to Shareholders and CUFS Holders contained in this Circular.
<b>“Minister”</b>	:	The Minister referred to in the Broadcasting Act.
<b>“Off-Market Purchase”</b>	:	An off-market purchase of Shares by the Company effected otherwise than on a stock exchange, in accordance with an equal access scheme.

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## DEFINITIONS

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“Prescribed Limits”	:	Limits as to interests in shares prescribed by the Broadcasting Act, the Telecommunications Act and/or any other legislation to which the Company is subject from time to time and/or any regulations, directives, guidelines, notices and/or codes of practice promulgated or issued thereunder from time to time.
“Relevant Period”	:	The period from the date of the 17th Annual General Meeting of the Company until the date of the 18th Annual General Meeting of the Company or the date falling 12 months after the date of the 17th Annual General Meeting of the Company, whichever is the earlier.
“Relevant Person”	:	The person named in paragraph 3.2.1 of the Letter to Shareholders and CUFS Holders contained in this Circular in relation to whom approval to participate in the SingTel Performance Share Plan in the Relevant Period is being sought.
“SGX Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Purchase Mandate”	:	The mandate to enable the Company to purchase or otherwise acquire its issued Shares.
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts are credited with Shares.
“Shares”	:	Ordinary shares in the capital of the Company.
“SingTel Performance Share Plan”	:	The SingTel Performance Share Plan adopted by Shareholders at an extraordinary general meeting of the Company held on 29 August 2003.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers.
“Telecom Competition Code”	:	Code of Practice for Competition in the Provision of Telecommunication Services 2005.
“Telecommunications Act”	:	The Telecommunications Act, Chapter 323.
“Temasek”	:	Temasek Holdings (Private) Limited.
“S\$”, “\$” and “cents”	:	Singapore dollars and cents, respectively.
“%” or “per cent.”	:	Per centum or percentage.

The terms “Depositor”, “Depository” and “Depository Register” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

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# LETTER TO SHAREHOLDERS AND CUFS HOLDERS

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## SINGAPORE TELECOMMUNICATIONS LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration Number: 199201624D

### Directors:

Chumpol NaLamlieng  
Chua Sock Koong  
Graham John Bradley  
Fang Ai Lian  
Heng Swee Keat  
Dominic Chiu Fai Ho  
Simon Israel  
John Powell Morschel  
Kaikhushru Shiavax Nargolwala  
Ong Peng Tsin  
Deepak S Parekh  
Nicky Tan Ng Kuang

### Registered Office:

31 Exeter Road  
Comcentre  
Singapore 239732

25 June 2009

To: The Shareholders and CUFS Holders of  
Singapore Telecommunications Limited

Dear Sir/Madam

## 1. INTRODUCTION

1.1 **EGM.** The Directors are convening an EGM to be held on 24 July 2009 to seek Shareholders' approval for the following proposals:

- (a) the proposed renewal of the Share Purchase Mandate; and
- (b) the proposed approval for participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the Listing Rules of ASX.

1.2 **Circular.** The purpose of this Circular is to provide Shareholders and CUFS Holders with information relating to the proposals to be tabled at the EGM.

## 2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 **Background.** Shareholders had approved the renewal of the Share Purchase Mandate at the 2008 EGM. The rationale for, the authority and limits on, and the financial effects of, the Share Purchase Mandate were set out in the 2008 Circular and Ordinary Resolution 1 set out in the Notice of the 2008 EGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 1 at the 2008 EGM and will expire on the date of the forthcoming 17th Annual General Meeting to be held on 24 July 2009. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the EGM, immediately following the 17th Annual General Meeting of the Company convened to be held on the same date.

2.2 **Rationale for the Share Purchase Mandate.** The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Group, management strives to increase shareholders' value by improving, *inter alia*, the return on equity of the Group. Share purchases is one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy.
- (c) Share repurchase programmes help buffer short-term share price volatility and off-set the effects of short-term speculators and investors and, in turn, bolster shareholder confidence and employee morale.
- (d) Repurchased Shares which are held in treasury may be transferred for the purposes of or pursuant to employees' share schemes implemented by the Company.

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# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 2.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company.

2.3 **Authority and Limits of the Share Purchase Mandate.** The authority and limits placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the EGM, are substantially the same as were previously approved by Shareholders at the 2008 EGM, and, for the benefit of Shareholders and CUPS Holders, are summarised below:

### 2.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the EGM. Any of the Company's Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit.

### 2.3.2 **Duration of Authority**

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied,

whichever is the earlier.

### 2.3.3 **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be made by way of:

- (a) Market Purchases; and/or
- (b) Off-Market Purchases.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the SGX Listing Manual, the listing rules of any other stock exchange on which the Shares may for the time being be listed and quoted, and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements, and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances; and
- (3) information required under Rule 883(2), (3), (4) and (5) of the SGX Listing Manual.

### 2.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The Maximum Price to be paid for the Shares as determined by the Directors must not exceed:

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# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
  - (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,
- in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

**“Average Closing Price”** means the average of the last dealt prices (excluding any transaction that the SGX-ST or other stock exchange on which the Shares may for the time being be listed or quoted (as the case may be) requires to be excluded for this purpose) of a Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

**“Date of the making of the offer”** means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 2.4 **Source of Funds.** Under the Companies Act, the Company may purchase or acquire its Shares out of its distributable profits, as well as out of capital.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the working capital requirements of the Group would be materially affected.

- 2.5 **Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

- 2.6 **Treasury Shares.** Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.6.1 **Maximum Holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

2.6.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.6.3 **Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time (but subject always to the Take-over Code):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees’ share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

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## LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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In addition, under the SGX Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares [of the same class as the treasury shares] which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

- 2.7 **Financial Effects.** The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, inter alia, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2009, are based on the assumptions set out below.

### 2.7.1 **Number of Shares Acquired or Purchased**

Purely for illustrative purposes, on the basis of 15,926,962,131 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued, and no Shares are purchased or acquired by the Company, or held as treasury shares, on or prior to the EGM, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 1,592,696,213 Shares.

### 2.7.2 **Maximum Price Paid for Shares Acquired or Purchased**

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 1,592,696,213 Shares at the maximum price of S\$2.6292 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 1,592,696,213 Shares is S\$4,187,516,883.21.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 1,592,696,213 Shares at the maximum price of S\$2.7544 for one Share (being the price equivalent to 10% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 1,592,696,213 Shares is S\$4,386,922,449.08.

### 2.7.3 **Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.1 and 2.7.2 above, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2009 are set out below and assuming the following:

- (a) the purchase or acquisition of 1,592,696,213 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases, made as to half out of profits and as to half out of capital and cancelled or held in treasury; and
- (b) the purchase or acquisition of 1,592,696,213 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases, made as to half out of profits and as to half out of capital and cancelled or held in treasury.



# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

## Scenario 1(A)

Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and cancelled

	Group		Company	
	Before Market Purchase S\$'million	After Market Purchase S\$'million	Before Market Purchase S\$'million	After Market Purchase S\$'million
<b>As at 31 March 2009</b>				
Shareholders' Funds	20,519.9	16,332.4	9,555.8	5,368.3
Treasury Shares Held by Trust	(43.7)	(43.7)	-	-
Treasury Shares Held/Purchased by the Company	-	-	-	-
Total Shareholders' Funds	20,476.2	16,288.7	9,555.8	5,368.3
Current Assets	3,793.6	3,460.5	1,729.4	1,396.3
Current Liabilities	5,102.5	5,102.5	1,364.6	1,364.6
Total Borrowings	7,495.0	11,349.4	4,353.2	8,207.6
Cash and Cash Equivalents	1,076.0	742.9	333.1	-
Number of Shares ('000)	15,913,482.4	14,320,786.2	15,926,785.1	14,334,088.9
<b>Financial Ratios</b>				
Net Assets per Share (S\$)	1.29	1.14	0.60	0.37
Gearing (%)	36.60	69.68	45.56	152.89
Current Ratio (times)	0.74	0.68	1.27	1.02

## Scenario 1(B)

Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and held in treasury

	Group		Company	
	Before Market Purchase S\$'million	After Market Purchase S\$'million	Before Market Purchase S\$'million	After Market Purchase S\$'million
<b>As at 31 March 2009</b>				
Shareholders' Funds	20,519.9	20,519.9	9,555.8	9,555.8
Treasury Shares Held by Trust	(43.7)	(43.7)	-	-
Treasury Shares Held/Purchased by the Company	-	(4,187.5)	-	(4,187.5)
Total Shareholders' Funds	20,476.2	16,288.7	9,555.8	5,368.3
Current Assets	3,793.6	3,460.5	1,729.4	1,396.3
Current Liabilities	5,102.5	5,102.5	1,364.6	1,364.6
Total Borrowings	7,495.0	11,349.4	4,353.2	8,207.6
Cash and Cash Equivalents	1,076.0	742.9	333.1	-
Number of Shares ('000)	15,913,482.4	14,320,786.2	15,926,785.1	14,334,088.9
<b>Financial Ratios</b>				
Net Assets per Share (S\$)	1.29	1.14	0.60	0.37
Gearing (%)	36.60	69.68	45.56	152.89
Current Ratio (times)	0.74	0.68	1.27	1.02

# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

## Scenario 2(A)

*Off-Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and cancelled*

	Group		Company	
	Before Off-Market Purchase S\$'million	After Off-Market Purchase S\$'million	Before Off-Market Purchase S\$'million	After Off-Market Purchase S\$'million
<b>As at 31 March 2009</b>				
Shareholders' Funds	20,519.9	16,133.0	9,555.8	5,168.9
Treasury Shares Held by Trust	(43.7)	(43.7)	-	-
Treasury Shares Held/Purchased by the Company	-	-	-	-
Total Shareholders' Funds	20,476.2	16,089.3	9,555.8	5,168.9
Current Assets	3,793.6	3,460.5	1,729.4	1,396.3
Current Liabilities	5,102.5	5,102.5	1,364.6	1,364.6
Total Borrowings	7,495.0	11,548.8	4,353.2	8,407.0
Cash and Cash Equivalents	1,076.0	742.9	333.1	-
Number of Shares ('000)	15,913,482.4	14,320,786.2	15,926,785.1	14,334,088.9
<b>Financial Ratios</b>				
Net Assets per Share (S\$)	1.29	1.12	0.60	0.36
Gearing (%)	36.60	71.78	45.56	162.65
Current Ratio (times)	0.74	0.68	1.27	1.02

## Scenario 2(B)

*Off-Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and held in treasury*

	Group		Company	
	Before Off-Market Purchase S\$'million	After Off-Market Purchase S\$'million	Before Off-Market Purchase S\$'million	After Off-Market Purchase S\$'million
<b>As at 31 March 2009</b>				
Shareholders' Funds	20,519.9	20,519.9	9,555.8	9,555.8
Treasury Shares Held by Trust	(43.7)	(43.7)	-	-
Treasury Shares Held/Purchased by the Company	-	(4,386.9)	-	(4,386.9)
Total Shareholders' Funds	20,476.2	16,089.3	9,555.8	5,168.9
Current Assets	3,793.6	3,460.5	1,729.4	1,396.3
Current Liabilities	5,102.5	5,102.5	1,364.6	1,364.6
Total Borrowings	7,495.0	11,548.8	4,353.2	8,407.0
Cash and Cash Equivalents	1,076.0	742.9	333.1	-
Number of Shares ('000)	15,913,482.4	14,320,786.2	15,926,785.1	14,334,088.9
<b>Financial Ratios</b>				
Net Assets per Share (S\$)	1.29	1.12	0.60	0.36
Gearing (%)	36.60	71.78	45.56	162.65
Current Ratio (times)	0.74	0.68	1.27	1.02

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## LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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**SHAREHOLDERS AND CUPS HOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.**

- 2.8 **Reporting Requirements.** The SGX Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares, and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the SGX Listing Manual (or Appendix 8.3.2 for a company with a dual-listing on another stock exchange)) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.
- 2.9 **No Purchases During Price Sensitive Developments.** While the SGX Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of two weeks immediately preceding the announcement of the Company's results for each of the first three quarters of the financial year, and during the period of one month immediately preceding the announcement of the full year results.
- 2.10 **Listing Status of the Shares.** The SGX Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek had an interest (both direct and deemed) in 8,707,386,795 Shares representing approximately 54.7% of the issued Shares (excluding Shares held in treasury) as at that date. Approximately 45.3% of the issued Shares (excluding Shares held in treasury) were held by public Shareholders as at that date. No Shares were held by the Company as treasury shares as at the Latest Practicable Date. Assuming the Company had purchased or acquired Shares from the public up to the full 10% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 39.2% of the issued Shares (excluding Shares held in treasury) would have been held by public Shareholders as at that date.
- The Company will ensure that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.
- 2.11 **ASX Listing Rules.** The ASX Listing Rules set out certain requirements that may be additional to the requirements of the SGX Listing Manual unless the Company has obtained a waiver from that rule. ASX Listing Rule 7.29 has as a condition for an on-market buy-back that there must have been transactions in a company's shares on ASX on at least five days in the three months preceding the buy-back. ASX Listing Rule 7.33 requires an on-market buy-back to only be effected at a price which is not more than 5% above the average market price for the buy-back securities calculated over the last five days on which sales were recorded before the day on which the purchase under the buy-back was made. This is similar to Rule 884 of the SGX Listing Manual, although ASX excludes certain transactions (special crossings, overnight sales and exercises of exchange traded options) from the definition of "market price" and Rule 884 provides that the average market price is deemed to be adjusted for any corporate action that occurs after the relevant five-day period. Further, ASX Listing Rule 7.36 requires consultation by the Company with ASX (because it is not subject to the Australian Corporations Act 2001) before any buy-back and allows ASX to impose requirements on the buy-back as if it were a company incorporated in Australia.
- The Company has consulted with ASX under ASX Listing Rule 7.36 concerning share buy-backs carried out by the Company. ASX has agreed that, until there is a change to the Companies Act, the SGX Listing Manual, the Australian Corporations Act 2001 or the ASX Listing Rules in relation to share buy-backs, the Company will comply with the ASX Listing Rules relating to on-market buy-backs (by companies) as if the references to a company making a buy-back under the Australian Corporations Act 2001 included a reference to the Company making a buy-back permitted by the Companies Act and accordingly the Company will give the notices in relation to buy-backs required by ASX Listing Rules 3.8A and 3.9.
- 2.12 **Individual Shareholding Limit.** The Articles prescribe an Individual Shareholding Limit of 15% of the issued Shares in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest. The Articles also empower the Directors to require the sale of Shares, if it shall come to their notice that the Individual Shareholding Limit is exceeded.

The Company holds various broadcasting and telecommunications licenses, and is regulated under the Broadcasting Act and the Telecommunications Act.

The Broadcasting Act provides that no person may become:

- (a) a substantial shareholder (as defined under the Companies Act);
- (b) a 12% controller (as defined under the Broadcasting Act); or

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## LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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(c) an indirect controller (as defined under the Broadcasting Act),

of a broadcasting company without first obtaining the approval of the Minister.

In addition, under the Broadcasting Act, the Company cannot, unless the Minister otherwise approves, be granted or hold a relevant licence (as defined under the Broadcasting Act) if the Minister is satisfied that any foreign source (as defined under the Broadcasting Act), alone or together with one or more other foreign sources, holds, or is in a position to control voting power of not less than 49% of the Company or its holding company.

The Telecommunications Act provides that:

- (a) no person shall, whether through a series of transactions over a period of time or otherwise, become a 12% controller (as defined under the Telecommunications Act) or a 30% controller (as defined under the Telecommunications Act) of a designated telecommunication licensee (as defined under the Telecommunications Act); and
- (b) no person shall enter into any transaction that constitutes a consolidation (as defined under the Telecommunications Act) with a designated telecommunication licensee,

without obtaining the prior approval of the IDA.

The Telecom Competition Code provides that upon completion of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, the Company must calculate the Ownership Interest (as defined in the Telecom Competition Code) for each Shareholder following such purchase or acquisition and, if as a result of such purchase or acquisition, a Shareholder's Ownership Interest:

- (i) increases to 12% or more but remains less than 30%, the Company and that Shareholder must seek the approval of the IDA for the deemed purchase or acquisition by such Shareholder of an additional Ownership Interest equivalent to the percentage increase of that Shareholder's Ownership Interest within 30 days of the completion of such purchase or acquisition;
- (ii) increases to 12% or more but remains less than 30% and the Shareholder is able to exercise Effective Control (as defined in the Telecom Competition Code), the Company and that Shareholder must seek the approval of the IDA for the deemed purchase or acquisition by such Shareholder of an additional Ownership Interest equivalent to the percentage increase of that Shareholder's Ownership Interest within 30 days of the completion of such purchase or acquisition; or
- (iii) increases to 30% or more, the Company and that Shareholder must seek the approval of the IDA for the deemed purchase or acquisition by such Shareholder of an additional Ownership Interest equivalent to the percentage increase of that Shareholder's Ownership Interest within 30 days of the completion of such purchase or acquisition.

For the purposes of the Telecom Competition Code, "Ownership Interest" means Direct Ownership Interest or Indirect Ownership Interest where "Direct Ownership Interest" means the percentage of the Company's voting shares in which the Shareholder has a legal or equitable interest and "Indirect Ownership Interest" is determined using the "sum-the-percentages" methodology.

Pursuant to the Broadcasting Act and the Telecommunications Act, if the Minister and/or the applicable regulatory authority, as the case may be, is satisfied that a person and/or his associates and/or his affiliates have acquired Shares which reach or exceed the Prescribed Limits in contravention of the Broadcasting Act and/or the Telecommunications Act, as the case may be, or in other specified circumstances, the Minister and/or the applicable regulatory authority, as the case may be, may make certain directions, including but not limited to requiring such person and/or his associates and/or his affiliates to dispose of all or part of the Shares which it may have acquired in the Company, or restrict the voting rights or dividend rights that the Shareholder has obtained through the acquisition of such Shares.

As a result of a purchase or acquisition of Shares by the Company, the shareholding percentage of a holder of Shares (whose Shares were not the subject of a share purchase or acquisition by the Company) in the issued Shares in the capital of the Company immediately following any purchase or acquisition of Shares by the Company may increase correspondingly.

The Company wishes to draw the attention of Shareholders and CUPS Holders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

**A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE THE INTEREST IN THE SHARES OF ANY PERSON TO REACH OR EXCEED THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE (IN PARTICULAR, A PERSON WHOSE INTEREST IN SHARES IS CURRENTLY CLOSE TO ANY OF THE PRESCRIBED LIMITS AND/OR THE INDIVIDUAL SHAREHOLDING LIMIT, AS THE CASE MAY BE).**

**IN RELATION TO THE INDIVIDUAL SHAREHOLDING LIMIT, THE DIRECTORS ARE EMPOWERED TO SERVE NOTICE ON SUCH PERSON REQUIRING A DISPOSAL OF THE INTEREST IN THE AFFECTED SHARES WITHIN 21 DAYS OF THE GIVING OF SUCH NOTICE OR SUCH LONGER PERIOD AS THE DIRECTORS CONSIDER REASONABLE TO A PERSON QUALIFIED TO HAVE AN INTEREST IN THE AFFECTED SHARES.**

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# LETTER TO SHAREHOLDERS AND CUFH HOLDERS

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**IN RELATION TO THE PRESCRIBED LIMITS, PERSONS WHOSE CURRENT SHAREHOLDINGS ARE CLOSE TO ANY OF THE PRESCRIBED LIMITS AND WHOSE SHAREHOLDINGS MAY EXCEED ANY SUCH LIMITS BY REASON OF A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY ARE ADVISED TO CONSIDER SEEKING THE PRIOR APPROVAL OF THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY) TO CONTINUE TO HOLD, ON SUCH TERMS AS MAY BE IMPOSED BY THE MINISTER (OR, AS THE CASE MAY BE, THE APPLICABLE REGULATORY AUTHORITY), THE SHARES WHICH THEY MAY HOLD IN EXCESS OF THE PRESCRIBED LIMITS AS A CONSEQUENCE OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY.**

2.13 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

## 2.13.1 **Obligation to make a Take-over Offer**

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

## 2.13.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent company of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of any of (i), (ii), (iii) or (iv);
  - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
  - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the companies referred to above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors), CUFH Holders and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

## 2.13.3 **Effect of Rule 14 and Appendix 2**

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on substantial shareholder notifications received by the Company under Division 4, Part IV of the Companies Act as at the Latest Practicable Date as set out in paragraph 4.2 below, none of the substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

**SHAREHOLDERS AND CUFH HOLDERS WHO ARE IN DOUBT AS TO THEIR OBLIGATIONS, IF ANY, TO MAKE A MANDATORY TAKE-OVER OFFER UNDER THE TAKE-OVER CODE AS A RESULT OF ANY PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY SHOULD CONSULT THE SECURITIES INDUSTRY COUNCIL AND/OR THEIR PROFESSIONAL ADVISERS AT THE EARLIEST OPPORTUNITY.**

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# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

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- 2.14 **Previous Purchases.** The following are details of purchases or acquisitions of Shares made by the Company during the period from 25 July 2008, being the date of the 2008 EGM to 20 May 2009:

Date of purchase or acquisition	Number of Shares purchased or acquired	Highest price paid per Share	Lowest price paid per Share	Total consideration paid
18 May 2009	1,951,000	S\$2.87	S\$2.80	S\$5,564,217.80
20 May 2009	1,748,483	S\$2.99	S\$2.97	S\$5,223,774.71

### 3. THE PROPOSED APPROVAL FOR PARTICIPATION BY THE RELEVANT PERSON IN THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF THE LISTING RULES OF ASX LIMITED

- 3.1 **ASX Listing Rules.** Under Listing Rule 10.14 of the ASX Listing Rules, a Director, an ASX Associate of a Director or a person whose relationship with the Company, or with a Director or an ASX Associate of a Director, is in ASX's opinion such that approval should be obtained, may only participate in an employee incentive scheme if the Shareholders approve that participation by Ordinary Resolution. This rule does not apply to securities purchased on-market under the terms of a scheme that provides for purchase of securities by or on behalf of employees or directors. On-market purchases do not include purchases effected through special crossings, crossings during the pre-open phase, the enquire phase, the after hours adjust phase and trades during the enquire phase.

Under the Rules of the SingTel Performance Share Plan, awards of Shares may be satisfied by the purchase of Shares on-market or by the issue of Shares. The Company seeks approval under ASX Listing Rule 10.14 to give it flexibility to satisfy awards by either method. Awards of Shares under the SingTel Performance Share Plan are typically satisfied by the purchase of Shares on-market.

For the purposes of the ASX Listing Rules, an ASX Associate is interpreted by reference to section 11 and sections 13 to 17 of the Australian Corporations Act 2001, and includes a person in concert with whom the Director is acting or proposing to act or with whom the Director is or proposes to become associated whether formally or informally in any other way, in respect of the matter to which the associate reference relates (in this case, the acquisition of Shares under the SingTel Performance Share Plan).

An ASX Associate of a Director of the Company, or a person whose relationship with the Company is in ASX's opinion such that approval should be obtained, would be eligible to participate in the SingTel Performance Share Plan only if he satisfies the eligibility requirements of the SingTel Performance Share Plan to begin with.

- 3.2 **Information under ASX Requirements.** The relevant approval is thus being sought from Shareholders at the EGM. In accordance with ASX requirements, the following information is provided:

#### 3.2.1 **Relevant Person**

The Relevant Person in relation to whom approval to participate in the SingTel Performance Share Plan in the Relevant Period is being sought is:

Chua Sock Koong

#### 3.2.2 **Maximum Number of Shares**

The maximum number of Shares comprised in an award that may be granted (subject to the terms and conditions of the SingTel Performance Share Plan) to the Relevant Person during the Relevant Period is:

Relevant Person	Maximum Number of Shares
Chua Sock Koong	2,000,000

#### 3.2.3 **Terms and Conditions**

The Shares to be awarded (subject to the terms and conditions of the SingTel Performance Share Plan) to the Relevant Person will be awarded free of charge. The award, if any, will be granted prior to the end of the Relevant Period (that is, prior to the date of the 18th Annual General Meeting of the Company or prior to the date falling 12 months after the date of the 17th Annual General Meeting of the Company, whichever is the earlier).

The other terms and conditions (including vesting conditions) of Shares which may be acquired by the Relevant Person will be subject to the Rules of the SingTel Performance Share Plan.

# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

## 3.2.4 Other Directors or ASX Associates

Executive Directors are eligible to participate in the SingTel Performance Share Plan. Chua Sock Koong is the only executive Director of the Company. Since the 16th Annual General Meeting, Chua Sock Koong has received Shares pursuant to the vesting of awards under the SingTel Performance Share Plan (subject to its terms and conditions) which, in accordance with the Company's usual practice, have been satisfied in part by the delivery of Shares purchased on-market and in part by the payment of cash in lieu of delivery of Shares, as permitted under the SingTel Performance Share Plan, rather than by the issue of Shares. Details of Chua Sock Koong's interests in Shares are set out in paragraph 4.1 below. As no Shares were issued to Chua Sock Koong under the SingTel Performance Share Plan, she has not received any securities under the SingTel Performance Share Plan for the purposes of ASX Listing Rule 10.14 since the last approval obtained at the 16th Annual General Meeting. None of the other Directors or ASX Associates are entitled to participate in, or have received any awards of Shares since the last approval under, the SingTel Performance Share Plan.

## 3.2.5 Voting Exclusion

In relation to this resolution, the Company will disregard any votes cast on the resolution by:

- (a) a Director; and
- (b) an ASX Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## 4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 **Directors' Interests.** The interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Interest
Chumpol NaLamlieng	199,500	-	199,500
Chua Sock Koong	2,359,757	27,347,933 <sup>(1)</sup>	29,707,690
Graham John Bradley	40,000	-	40,000
Fang Ai Lian	91,930	-	91,930
Heng Swee Keat	1,330	-	1,330
Dominic Chiu Fai Ho	-	-	-
Simon Israel	179,820	1,360 <sup>(2)</sup>	181,180
John Powell Morschel	55,780	-	55,780
Kaikhushru Shiavax Nargolwala	148,000	-	148,000
Ong Peng Tsin <sup>(3)</sup>	-	-	-
Deepak S Parekh	-	-	-
Nicky Tan Ng Kuang	150,000	-	150,000

### Number of Shares Comprised in Unexercised Share Options

Chua Sock Koong	1,584,000
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# LETTER TO SHAREHOLDERS AND CUPS HOLDERS

## Notes:

(1) The deemed interest in 27,347,933 Shares includes:

- (i) 24,371,772 Shares held by RBC Dexia Trust Services Singapore Limited ("**Dexia**"), the trustee of a trust established to purchase Shares for the benefit of eligible employees under the SingTel Performance Share Plan. The Shares purchased by Dexia pursuant to the trust are held for the benefit of all such eligible employees and vest in such employees subject to certain performance conditions being met and other terms and conditions. Pursuant to the Companies Act, Chua Sock Koong is deemed to be interested in the Shares held by Dexia pursuant to the trust;
- (ii) 28,137 Shares held by the spouse of Chua Sock Koong; and
- (iii) an aggregate of up to 2,948,024 Shares awarded to Chua Sock Koong pursuant to the SingTel Performance Share Plan, subject to certain performance conditions being met and other terms and conditions.

(2) Held by spouse.

(3) Mr Ong Peng Tsin was appointed to the Board on 1 June 2009.

4.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholder in the Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Percentage Interest
Temasek Holdings (Private) Limited	8,671,325,982	36,060,813 <sup>(1)</sup>	54.7

## Notes:

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

## 5. DIRECTORS' RECOMMENDATIONS

5.1 **The Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 1, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the EGM.

5.2 **The Proposed Approval for Participation by the Relevant Person in the SingTel Performance Share Plan.** The Directors are prohibited under the ASX Listing Rules from voting in respect of Resolution 2, being the Ordinary Resolution relating to the proposed approval for participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the ASX Listing Rules, and have accordingly also abstained from making any recommendation in respect of Resolution 2.

## 6. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 18 to 19 of this Circular, will be held at NTUC Auditorium, One Marina Boulevard, Level 7, NTUC Centre, Singapore 018989 on 24 July 2009 at 3.30 p.m. (or so soon thereafter following the conclusion or adjournment of the 17th Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolutions set out in the Notice of EGM.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS AND CUPS HOLDERS

7.1 **Action to be Taken by Shareholders.** If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend, speak and vote on his behalf, he should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 (Attention: Secretariat), by not later than 48 hours before the time appointed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

7.2 **Action to be Taken by CUPS Holders.** If a CUPS Holder wishes to attend, speak and vote at the EGM, or wishes to nominate a proxy to attend, speak and vote at the EGM in his place as proxy for CHESS Depository Nominees Pty Ltd, he should, where relevant, complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the office of the Company's Australian registry, Computershare Investor Services Pty Limited at Level 3, 60 Carrington Street, Sydney NSW 2000, Australia or GPO Box 242, Melbourne VIC 8060, Australia, by not later than 48 hours before the time appointed for the EGM.



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## LETTER TO SHAREHOLDERS AND CDFS HOLDERS

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### 8. INSPECTION OF DOCUMENTS

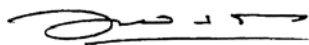
The following documents are available for inspection at the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 and at the office of the Company's Australian registry, Computershare Investor Services Pty Limited at Level 3, 60 Carrington Street, Sydney NSW 2000, Australia, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Annual Report of the Company for the financial year ended 31 March 2009;
- (b) the 2008 Circular;
- (c) the Memorandum and Articles of Association of the Company; and
- (d) the Rules of the SingTel Performance Share Plan.

### 9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed in this Circular are fair and accurate and that there are no material facts the omission of which would make any statement in this Circular misleading.

Yours faithfully  
for and on behalf of  
the Board of Directors of  
**SINGAPORE TELECOMMUNICATIONS LIMITED**



**Chumpol NaLamlieng**  
Chairman

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# NOTICE OF EXTRAORDINARY GENERAL MEETING

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## SINGAPORE TELECOMMUNICATIONS LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration Number: 199201624D

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of Singapore Telecommunications Limited (the "**Company**") will be held at NTUC Auditorium, One Marina Boulevard, Level 7, NTUC Centre, Singapore 018989 on 24 July 2009 at 3.30 p.m. (or so soon thereafter following the conclusion or adjournment of the 17<sup>th</sup> Annual General Meeting of the Company to be held at 3.00 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the following Resolutions, of which Resolutions 1 and 2 will be proposed as Ordinary Resolutions:

### **Resolution 1: Ordinary Resolution**

#### **The Proposed Renewal of the Share Purchase Mandate**

THAT:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**"); and/or
  - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held; and
  - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;
- (c) in this Resolution:

"**Average Closing Price**" means the average of the last dealt prices (excluding any transaction that the SGX-ST or Other Exchange (as the case may be) requires to be excluded for this purpose) of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, Other Exchange immediately preceding the date of market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action which occurs after the relevant five-day period;

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

"**Maximum Limit**" means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and
  - (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares; and
- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Resolution 2: Ordinary Resolution

#### The Proposed Approval for Participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the Listing Rules of ASX Limited

THAT, for the purposes of Rule 10.14 of the ASX Listing Rules, the participation by the Relevant Person in the Relevant Period specified in paragraph 3.2 of the Circular to Shareholders and CUFS Holders dated 25 June 2009 in the SingTel Performance Share Plan, on the terms as set out in that paragraph, be and is hereby approved.

By Order of the Board



**Chan Su Shan (Ms)**

Company Secretary  
Singapore, 25 June 2009

### Notes:

1. With the exception of the Central Provident Fund Board and CHESS Depository Nominees Pty Ltd (who may each appoint more than two proxies), a member entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. The instrument appointing the proxy that has been executed by a member must be lodged at the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 (Attention: Secretariat), not less than 48 hours before the time appointed for the Extraordinary General Meeting.

The instrument appointing the proxy that has been executed by or on behalf of CHESS Depository Nominees Pty Ltd and, where relevant, by a holder of CHESS Units of Foreign Securities relating to Shares, must be lodged at the office of the Company's Australian registry, Computershare Investor Services Pty Limited at Level 3, 60 Carrington Street, Sydney NSW 2000, Australia or GPO Box 242, Melbourne VIC 8060, Australia, not less than 48 hours before the time appointed for the Extraordinary General Meeting.

3. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of Shares purchased or acquired, whether the purchase or acquisition is made out of profits or capital, the price at which such Shares were purchased or acquired and whether the Shares purchased or acquired are held in treasury or cancelled.

Based on the existing issued shares of the Company as at 30 April 2009 (the "**Latest Practicable Date**"), and assuming no further Shares are issued, and no Shares are purchased or acquired by the Company, or held as treasury shares, on or prior to the Extraordinary General Meeting, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 1,592,696,213 Shares. In the case of market purchases by the Company and assuming that the Company purchases or acquires the 1,592,696,213 Shares at the Maximum Price of S\$2.6292 for one Share (being the price equivalent to 5% above the average of the last dealt prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 1,592,696,213 Shares is S\$4,187,516,883.21. In the case of off-market purchases by the Company and assuming that the Company purchases or acquires the 1,592,696,213 Shares at the Maximum Price of S\$2.7544 for one Share (being the price equivalent to 10% above the average of the last dealt prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 1,592,696,213 Shares is S\$4,386,922,449.08.

The financial effects of the purchase or acquisition of such Shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2009 based on these assumptions are set out in paragraph 2.7 of the Company's Circular to Shareholders and CUFS Holders dated 25 June 2009.