



Singtel: Asia's Leading Communications Group

Morgan Stanley Hong Kong
Investor Summit

22-23 March 2017



Forward looking statement – Important note



The following presentation contains forward looking statements by the management of Singapore Telecommunications Limited ("Singtel"), relating to financial trends for future periods, compared to the results for previous periods.

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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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

“S\$” means Singapore dollars, “A\$” means Australian dollars and “US\$” means United States dollars unless otherwise indicated. Any discrepancies between individual amounts and totals are due to rounding.

Asia's Leading Communications Group

640 million

mobile customers across
22 countries

~ 53% of earnings
from emerging markets

Transforming our core,
capturing growth in
digital

Average **73%** payout
to shareholders over
last 5 years

Market Capitalisation of over S\$60b

- Largest listed company in Singapore, 6th largest telco in Asia

Regional Scale & Diversification

- Market-leading operators in Singapore, Australia, India, Indonesia, Thailand and the Philippines

Integrated fixed & wireless operator

- Delivering seamless entertainment & communications experience to customers
- Growth engines in cyber security, cloud, digital marketing and analytics

Strong Dividend Track Record

- Strong cash generation and disciplined capital allocation, supporting returns to shareholders

Diversified Operations¹



Bharti Airtel

#1 in India
36.5% effective interest
India
266m mobile customers
South Asia
2m mobile customers
Africa
80m mobile customers

AIS

#1 in Thailand
23% of ordinary shares
41m mobile customers

Intouch

Investor in telcos, media & IT
21% of ordinary shares
40.5% equity interest in AIS

Globe

#1 in Philippines
47% of ordinary shares²
63m mobile customers

Singtel

#1 in Singapore
100% subsidiary
Mobile
4.1m customers
Fixed
0.6m broadband customers

NetLink Trust³

100% economic interest

Telkomsel

#1 in Indonesia
35% effective interest
174m mobile customers

Optus

#2 in Australia
100% subsidiary
Mobile
9.6m customers
Fixed
1.1m broadband customers

1. All figures as at 31 December 2016 unless otherwise stated.
2. Singtel has 21.5% interest in Globe's voting shares.
3. NetLink Trust designs, builds, owns and operates the passive fibre optic network infrastructure under Singapore's Next Generation Nationwide Broadband Network (NBN). It is an independently managed business trust.

Group Consumer: Drive growth in data services with investments in network, technology & content



Singapore Consumer

- › Deliver the best integrated network experience
- › Enhance customer experience with innovative data-centric services & content
- › Drive customer adoption of quad-play to increase stickiness

FASTEST & WIDEST... 4G



(larger data bundles)

SINGTEL MUSIC



(exciting content)

dash



(Smart Living)

Australia Consumer



(4G network covers 95.9% of population)



- › Build a strong mobile-led multi-media business integrated across fixed and mobile networks
- › Expand regional 4G network coverage & deepen network in capital cities
- › Drive differentiation and subscriber growth with exciting content

Regional Mobile Associates

- › Tap significant opportunities in data services with new affordable price plans & product innovation



Group Enterprise

Lead in carriage & grow ICT businesses

- › Strengthen customer proposition with comprehensive and integrated carriage and ICT solutions
- › *Cloud services*: Support customers in their migration to cloud
- › *Cyber security*: Develop best-of-breed technology through partnership, expand global SOCs¹ network and build talent pool
- › *Smart nation*: Strategic partner to deliver Smart Nation solutions for Singapore



HOUSING &
DEVELOPMENT
BOARD

Group Digital Life

Create new growth engines in the digital space

Customer
scale
Payment
Mechanisms
Data
Analytics
Customer
Touchpoints

AMOBEE

HCSQ™

DataSpark

- › Build global platforms and enablers that leverage the Group's unique assets
- › 3 key focus areas:
 - *Digital marketing*: leading independent digital mobile marketing company
 - *OTT² premium video*: Over 20,000 movies and drama series
 - *Data analytics*: Geo-spatial analytics for enterprise and government customers

1. Security Operation Centres. 2. Over-the-top.

Growth in underlying net profit from resilient core & higher associates' contributions



	9 months ended Dec 16			12 months ended Mar 16		
	9MFY17 (reported)	YoY % change (reported)	YoY % change (constant currency) ¹	FY16 (reported)	YoY % change (reported)	YoY % change (constant currency) ¹
Operating revenue	12,404m	-4%	-4%	S\$16,961m	-2%	+4%
<i>Ex-MTR²</i>	S\$12,987m	+1%	Stable	S\$17,149m	Stable	+5%
EBITDA	S\$3,689m	-2%	-2%	SS\$5,013m	-2%	+4%
Regional Mobile Associates' pre-tax earnings³	S\$2,053m	+8%	+9%	S\$2,604m	+5%	+6%
Underlying net profit	S\$2,927m	+4%	+4%	S\$3,805m	Stable	+4%
Net profit	S\$2,889m	-1%	-1%	S\$3,871m	+2%	+6%

1. Assuming constant exchange rates from prior corresponding periods

2. Mobile Termination Rates in Australia. Regulated reductions with effect from 1 January 2016.

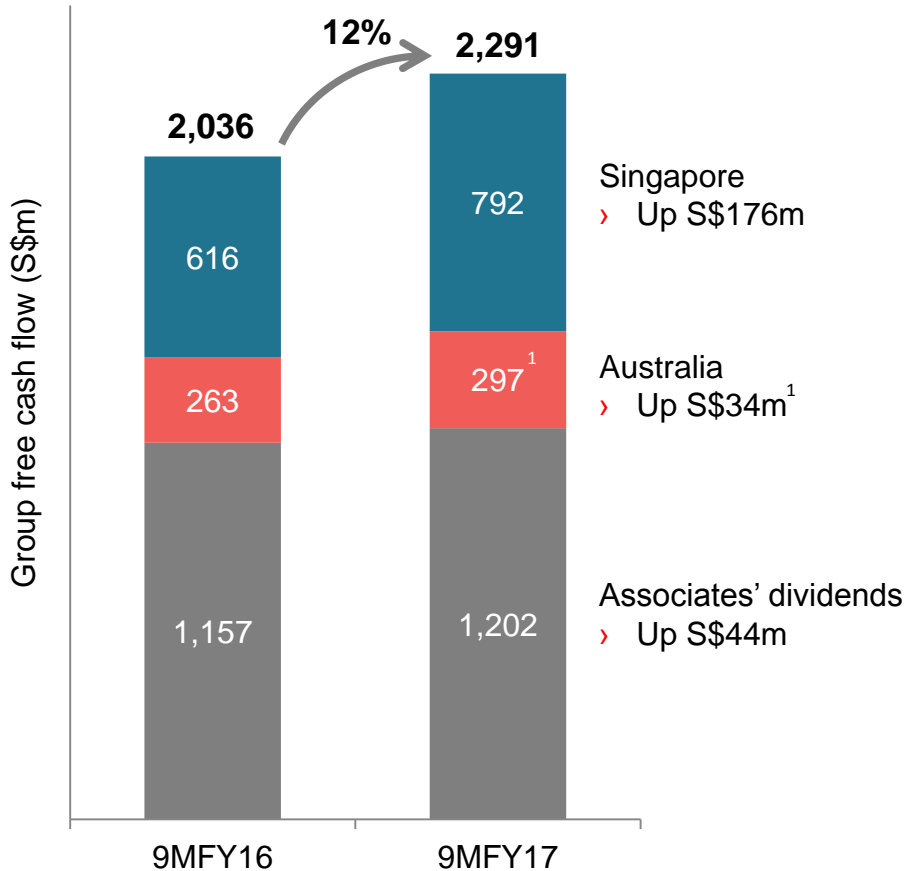
3. Exclude exceptional items.

N.M. – not meaningful

Financial Position

Free Cash Flow

S\$2,291m



Balance Sheet

Net debt² S\$9.8b

Net debt gearing³ 26.7%

Net debt: EBITDA & share of associates' pre-tax profits⁴ 1.2x

EBITDA & share of associates' pre-tax profits: Net interest expense 23.8x

S&P's rating A+ Moody's rating Aa3

1. After payment of A\$134m (S\$142m) to the Australian Tax Office for amended assessments related to the acquisition financing of Optus.
2. Gross debt less cash and bank balances adjusted for related hedging balances.
3. The ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
4. Ratio is calculated on an annualised basis.

Steady Dividend Payout

Dividend payout ratio

60 - 75% of underlying net profit

FY2016

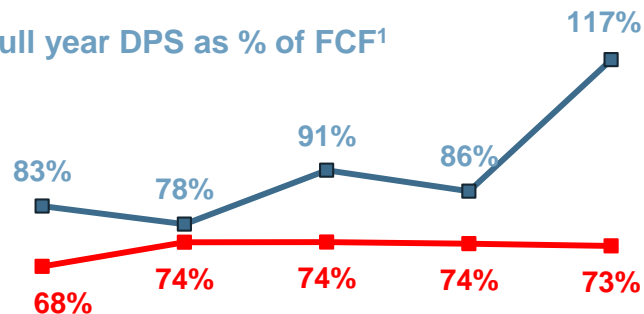
Total ordinary dividends: **17.5c** per share
 representing **73%** of underlying net profit

FY2017

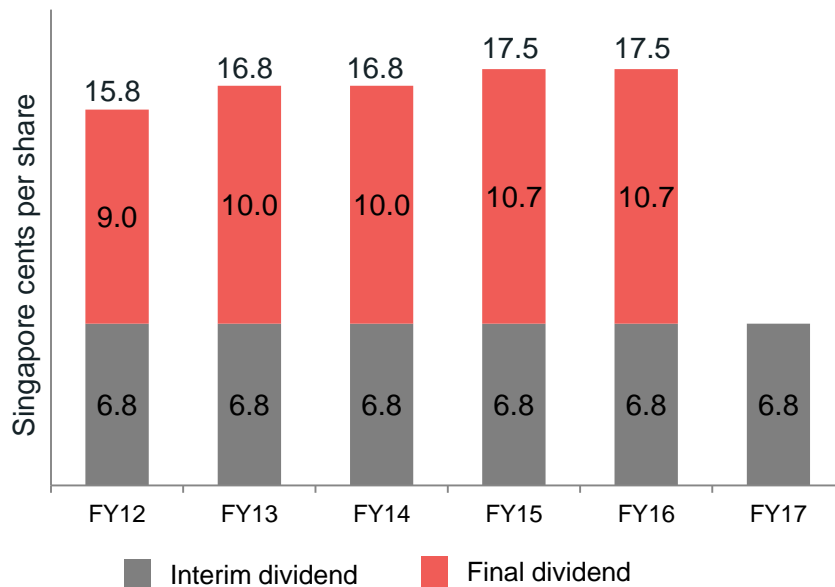
Interim dividend: **6.8c** per share

Dividend History

Full year DPS as % of FCF¹



Full year DPS as % of underlying EPS



1. Free cash flow after interest and tax.



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