

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2016

	2016 S\$ Mil	2015 S\$ Mil
Cash Flows From Operating Activities		
Profit before tax	4,580.8	4,463.0
Adjustments for -		
Depreciation and amortisation	2,148.8	2,161.4
Share of results of associates and joint ventures	(2,026.6)	(1,735.3)
Exceptional items (non-cash)	(2.4)	(57.7)
Interest and investment income (net)	(94.7)	(92.8)
Finance costs	359.6	309.2
Other non-cash items	34.4	36.7
	419.1	621.5
Operating cash flow before working capital changes	4,999.9	5,084.5
Changes in operating assets and liabilities		
Trade and other receivables	(610.0)	(625.6)
Trade and other payables	(392.5)	802.0
Inventories	(28.9)	(107.1)
Currency translation adjustments	(10.2)	16.9
Cash generated from operations	3,958.3	5,170.7
Dividends received from associates and joint ventures	1,350.7	1,215.2
Income tax and withholding tax paid	(658.2)	(598.2)
Payment to employees in cash under performance share plans	(3.1)	(1.1)
Net cash inflow from operating activities	4,647.7	5,786.6
Cash Flows From Investing Activities		
Payment for purchase of property, plant and equipment	(1,930.0)	(2,237.6)
Payment for acquisition of subsidiaries, net of cash acquired (Note 1)	(1,059.4)	(449.5)
Investment in associates and joint ventures	(215.4)	(1.4)
Purchase of intangible assets	(173.3)	(966.0)
Investment in AFS investments	(38.6)	(23.1)
Withholding tax paid on intra-group interest income	(26.9)	(31.5)
Payment for acquisition of non-controlling interests	—	(2.9)
Repayment of loan by an associate	510.0	—
Proceeds from sale of AFS investments	81.3	75.0
Interest received	68.1	42.3
Contribution from non-controlling interests	21.2	13.1
Deferred proceeds/ proceeds from disposal of associates and joint ventures	15.6	—
Proceeds from capital reduction of associates and joint ventures	—	6.0
Proceeds from sale of property, plant and equipment	5.7	15.2
Dividends received from AFS investments (net of withholding tax paid)	1.7	3.2
Proceeds from sale of intangible assets	—	0.3
Net cash outflow from investing activities	(2,740.0)	(3,556.9)

The accompanying notes on pages 137 to 221 form an integral part of these financial statements.
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For the financial year ended 31 March 2016

	Note	2016 S\$ Mil	2015 S\$ Mil
Cash Flows From Financing Activities			
Proceeds from term loans		5,849.5	4,915.0
Repayment of term loans		(6,058.2)	(4,464.8)
Proceeds from bond issue		1,321.1	300.0
Proceeds from finance lease liabilities		57.4	30.4
Finance lease payments		(41.1)	(43.4)
Net proceeds from borrowings		1,128.7	737.2
Final dividend paid to shareholders of the Company		(1,705.4)	(1,593.8)
Interim dividend paid to shareholders of the Company		(1,083.8)	(1,083.7)
Net interest paid on borrowings and swaps		(335.6)	(307.3)
Purchase of performance shares		(44.1)	(54.7)
Dividend paid to non-controlling interests		(4.9)	(5.7)
Others		1.6	(2.6)
Net cash outflow from financing activities		(2,043.5)	(2,310.6)
Net decrease in cash and cash equivalents		(135.8)	(80.9)
Exchange effects on cash and cash equivalents		34.8	21.2
Cash and cash equivalents at beginning of year		562.8	622.5
Cash and cash equivalents at end of year	15	461.8	562.8

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For the financial year ended 31 March 2016

Note 1: Payments for acquisition of subsidiaries

- (a) On 1 September 2015, Singtel acquired 98% of the share capital of Trustwave Holdings, Inc. for S\$1.08 billion (US\$769 million). The fair values of identifiable net assets and the net cash outflow on the acquisition were as follows –

	Year ended 31 March 2016 S\$ Mil
Identifiable intangible assets	186.8
Non-current assets	38.7
Cash and cash equivalents	28.7
Current assets (excluding cash and cash equivalents)	86.8
Total liabilities	(329.4)
Non-controlling interests	2.2
Net assets acquired	13.8
Goodwill	1,069.8
Total cash consideration	1,083.6
Less: Cash and cash equivalents acquired	(28.7)
Net outflow of cash	1,054.9

The above acquisition had no material impact on the Group's consolidated income statement, both from the date of acquisition as well as assuming the acquisition had been effected as at 1 April 2015.

- (b) During the financial year, deferred payments of S\$4.5 million were made mainly in respect of the acquisition of Adconion Media, Inc. and Adconion Pty Limited (together, "**Adconion**").
- (c) In the previous financial year, the Group made payments to acquire Kontera Technologies, Inc., Adconion and Ensyst Pty Limited for S\$176 million, S\$251 million and S\$10 million respectively, and also made deferred payments of S\$12 million in respect of the acquisitions of Amobee, Inc. and Pixable, Inc.

Note 2: Non-cash transactions

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

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