

Group Five-year Financial Summary

	Financial Year ended 31 March					
	2018	Restated ⁽¹⁾ 2017	2017	2016	2015	2014
Income Statement (S\$ million)						
Group operating revenue	17,532	16,711	16,711	16,961	17,223	16,848
Singtel	8,396	7,928	7,928	7,663	7,348	6,912
Optus	9,136	8,784	8,784	9,298	9,875	9,936
Optus (A\$ million)	8,710	8,425	8,425	9,115	8,790	8,466
Group EBITDA	5,089	4,998	4,998	5,013	5,091	5,155
Singtel	2,181	2,213	2,213	2,187	2,146	2,223
Optus	2,909	2,784	2,784	2,825	2,945	2,932
Optus (A\$ million)	2,774	2,669	2,669	2,771	2,624	2,502
Share of associates' pre-tax profits	2,461	2,886	2,942	2,791	2,579	2,201
Group EBITDA and share of associates' pre-tax profits	7,550	7,884	7,939	7,804	7,670	7,357
Group EBIT	5,210	5,645	5,701	5,655	5,508	5,224
Net profit after tax	5,451	3,853	3,853	3,871	3,782	3,652
Underlying net profit ⁽²⁾	3,544	3,871	3,915	3,805	3,779	3,610
Exchange rate (A\$ against S\$) ⁽³⁾	1.049	1.043	1.043	1.020	1.123	1.174
Cash Flow (S\$ million)						
Group free cash flow ⁽⁴⁾	3,606	3,054	3,054	2,718	3,549	3,249
Singtel	1,126	1,040	1,040	869	1,379	1,181
Optus	989	514	514	631	1,070	1,020
Optus (A\$ million)	948	500	500	617	976	903
Associates' dividends (net of withholding tax)	1,492	1,500	1,500	1,218	1,100	1,048
Cash capital expenditure	2,349	2,261	2,261	1,930	2,238	2,102
Balance Sheet (S\$ million)						
Total assets	48,254	48,294	48,294	43,566	42,067	39,320
Shareholders' funds	29,679	28,214	28,214	24,989	24,733	23,868
Net debt	9,820	10,384	10,384	9,142	7,963	7,534
Key Ratios						
Proportionate EBITDA from outside Singapore (%)	77	75	75	74	74	73
Return on invested capital (%) ⁽⁵⁾	14.7	10.9	11.1	11.7	12.1	11.6
Return on equity (%)	18.8	14.5	14.5	15.6	15.6	15.3
Return on total assets (%)	11.2	8.3	8.3	9.0	9.3	9.2
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	1.3	1.3	1.3	1.2	1.0	1.0
EBITDA and share of associates' pre-tax profits to net interest expense (number of times)	20.2	23.4	23.6	25.3	29.2	28.7
Per Share Information (S cents)						
Earnings per share - basic	33.40	23.96	23.96	24.29	23.73	22.92
Earnings per share - underlying net profit ⁽²⁾	21.71	24.07	24.35	23.88	23.71	22.65
Net assets per share	182	173	173	157	155	150
Dividend per share - ordinary	17.5	17.5	17.5	17.5	17.5	16.8
Dividend per share - special	3.0	-	-	-	-	-

"Singtel" refers to the Singtel Group excluding Optus.

Notes:

⁽¹⁾ FY 2017 has been restated to reclassify AIS' 3G/4G handset subsidy costs from exceptional items of the Group to share of associates' profits to be consistent with FY 2018.

⁽²⁾ Underlying net profit is defined as net profit before exceptional items.

⁽³⁾ Average A\$ rate for translation of Optus' operating revenue.

⁽⁴⁾ Free cash flow refers to cash flow from operating activities, including dividends from associates, less cash capital expenditure.

⁽⁵⁾ Return on invested capital is defined as EBIT (post-tax) divided by average capital. For FY 2018, EBIT included the gain on disposal of economic interest in NetLink Trust.

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5-YEAR FINANCIAL REVIEW

FY 2018

The Group delivered record earnings for FY 2018 with net profit of S\$5.45 billion bolstered by exceptional gain of S\$2.03 billion from the divestment of NetLink Trust and a strong core performance. Operating revenue was S\$17.53 billion, 4.9% higher than FY 2017, while EBITDA rose 1.8% to S\$5.09 billion reflecting strong customer gains in Australia and first time contribution from Turn (acquired by Amobee in April 2017). In constant currency terms, operating revenue and EBITDA increased by 4.7% and 1.5% respectively.

The associates' pre-tax contributions declined 15% to S\$2.46 billion on weaker earnings from Airtel India and Telkomsel impacted by intense competition and mandated reduction in mobile termination charges in India, as well as lower contribution from NetLink NBN Trust following the reduction in economic interest of 75.2% in July 2017. The decline was partly mitigated by higher contribution from Intouch (acquired in November 2016).

With lower associates' contributions, higher depreciation and amortisation charges on network investments and spectrum, as well as increased net finance expense, underlying net profit declined by 8.4%.

FY 2017

The Group delivered resilient earnings amid heightened competition across all the markets the Group operated in. Operating revenue was S\$16.71 billion, 1.5% lower than FY 2016 but would have increased 2.0% excluding the impact of regulatory mobile termination rates change in Australia from 1 January 2016. EBITDA remained stable at S\$5.0 billion. The Australian Dollar appreciated 2% against the Singapore Dollar from a year ago. In constant currency terms, operating revenue and EBITDA decreased by 2.6% and 1.5% respectively.

The associates' pre-tax contributions rose 5.4% to S\$2.94 billion despite weakness in Airtel which faced intense price competition in India.

Strong growth at Telkomsel and NetLink Trust, as well as first time contribution from Intouch (acquired in November 2016) was partly offset by lower profits at Airtel, AIS and Globe.

Underlying net profit grew 2.9% and net profit was stable at S\$3.85 billion with an exceptional loss compared to an exceptional gain in FY 2016.

FY 2016

The Group delivered a strong performance with resilient core business and robust contributions from associates. Operating revenue was S\$16.96 billion, 1.5% lower than FY 2015 with the Australian Dollar declining a steep 9% against the Singapore Dollar and the impact of lower mobile termination rates in Australia from 1 January 2016. In constant currency terms, operating revenue would have grown 4.1% across all business units with first time contribution from Trustwave, Inc. (a newly acquired cyber security business). EBITDA was S\$5.01 billion, 1.5% lower than FY 2015 and in constant currency terms, would have increased 4.1% with strong cost management.

The associates' pre-tax contributions rose 8.2% to S\$2.79 billion and would have increased 9.7% excluding the currency translation impact. The regional associates recorded strong customer growth and robust mobile data growth, with higher earnings from Telkomsel and Globe offsetting the decline in Airtel.

Underlying net profit was stable and net profit including exceptional items increased 2.4% to S\$3.87 billion. In constant currency terms, underlying net profit and net profit would have increased 4.0% and 5.5% respectively from FY 2015.

FY 2015

The Group delivered a strong set of results. Operating revenue was S\$17.22 billion, 2.2% higher than FY 2014 with growth across all the business units. EBITDA was S\$5.09 billion, 1.3% lower than FY 2014 with the Australian Dollar weakening

4% against the Singapore Dollar. In constant currency terms, revenue grew 4.8% and EBITDA rose 1.3% despite operating losses from the digital businesses.

The associates' pre-tax contributions rose strongly by 17% to S\$2.58 billion and would have increased 21% excluding the currency translation impact. The regional associates registered strong customer growth and increased demand for mobile data services, with earnings growth led by Airtel India, Telkomsel and Globe.

Underlying net profit grew 4.7% and net profit including exceptional items increased 3.5% to S\$3.78 billion. In constant currency terms, underlying net profit and net profit would have increased 7.5% and 6.2% respectively from FY 2014.

FY 2014

The Group delivered a resilient performance against industry challenges and currency headwinds. Operating revenue was S\$16.85 billion, 7.3% lower than FY 2013 with the Australian Dollar weakening 8% against the Singapore Dollar. In constant currency terms, revenue would have declined 2.3% with lower mobile revenue in Australia and a cautious business climate. EBITDA was relatively stable at S\$5.16 billion but in constant currency terms increased 4.5% on an improved cost structure.

The associates' pre-tax contributions rose 4.5% to S\$2.20 billion and would have increased strongly by 13% excluding the currency translation impact. The regional associates registered robust demand for mobile data services, with earnings growth led by Airtel India.

Underlying net profit was stable at S\$3.61 billion and net profit including exceptional items grew 4.1% to S\$3.65 billion. In constant currency terms, underlying net profit and net profit would have increased 5.9% and 10% respectively from FY 2013.