

# Group Five-year Financial Summary

	Financial Year ended 31 March					
	2019 <sup>(1)</sup>	2018 <sup>(1)</sup>	2018	2017	2016	2015
<b>Income Statement (S\$ million)</b>						
Group operating revenue	<b>17,372</b>	17,268	17,532	16,711	16,961	17,223
Singtel	<b>8,365</b>	8,235	8,396	7,928	7,663	7,348
Optus	<b>9,006</b>	9,033	9,136	8,784	9,298	9,875
<i>Optus (A\$ million)</i>	<b>9,099</b>	8,612	8,710	8,425	9,115	8,790
Group EBITDA	<b>4,692</b>	5,051	5,089	4,998	5,013	5,091
Singtel	<b>2,022</b>	2,194	2,181	2,213	2,187	2,146
Optus	<b>2,670</b>	2,856	2,909	2,784	2,825	2,945
<i>Optus (A\$ million)</i>	<b>2,699</b>	2,724	2,774	2,669	2,771	2,624
Share of associates' pre-tax profits	<b>1,536</b>	2,461	2,461	2,886	2,791	2,579
Group EBITDA and share of associates' pre-tax profits	<b>6,228</b>	7,511	7,550	7,884	7,804	7,670
Group EBIT	<b>4,006</b>	5,261	5,210	5,645	5,655	5,508
Net profit <sup>(2)</sup>	<b>3,095</b>	5,473	5,451	3,853	3,871	3,782
Underlying net profit <sup>(3)</sup>	<b>2,825</b>	3,593	3,544	3,871	3,805	3,779
<i>Exchange rate (A\$ against S\$)<sup>(4)</sup></i>	<b>0.990</b>	1.049	1.049	1.043	1.020	1.123
<b>Cash Flow (S\$ million)</b>						
Group free cash flow <sup>(5)</sup>	<b>3,650</b>	3,606	3,606	3,054	2,718	3,549
Singtel	<b>1,242</b>	1,126	1,126	1,040	869	1,379
Optus	<b>1,006</b>	989	989	514	631	1,070
<i>Optus (A\$ million)</i>	<b>1,028</b>	947	947	500	617	976
Associates' dividends (net of withholding tax)	<b>1,402</b>	1,492	1,492	1,500	1,218	1,100
Cash capital expenditure	<b>1,718</b>	2,349	2,349	2,261	1,930	2,238
<b>Balance Sheet (S\$ million)</b>						
Total assets	<b>48,915</b>	48,496	48,254	48,294	43,566	42,067
Shareholders' funds	<b>29,838</b>	29,737	29,679	28,214	24,989	24,733
Net debt	<b>9,883</b>	9,877	9,820	10,384	9,142	7,963
<b>Key Ratios</b>						
Proportionate EBITDA from outside Singapore (%)	<b>76</b>	76	77	75	74	74
Return on invested capital <sup>(6)</sup> (%)	<b>7.7</b>	9.6	9.5	10.9	11.7	12.1
Return on equity <sup>(2)</sup> (%)	<b>10.4</b>	18.9	18.8	14.5	15.6	15.6
Return on total assets <sup>(2)</sup> (%)	<b>6.3</b>	11.2	11.2	8.3	9.0	9.3
Net debt to EBITDA and share of associates' pre-tax profits (number of times)	<b>1.6</b>	1.3	1.3	1.3	1.2	1.0
EBITDA and share of associates' pre-tax profits to net interest expense (number of times)	<b>16.2</b>	20.1	20.2	23.4	25.3	29.2
<b>Per Share Information (S cents)</b>						
Earnings per share - basic <sup>(2)</sup>	<b>18.96</b>	33.53	33.40	23.96	24.29	23.73
Earnings per share - underlying net profit <sup>(3)</sup>	<b>17.31</b>	22.01	21.71	24.07	23.88	23.71
Net assets per share	<b>183</b>	182	182	173	157	155
Dividend per share - ordinary	<b>17.5</b>	17.5	17.5	17.5	17.5	17.5
Dividend per share - special	<b>-</b>	3.0	3.0	-	-	-

"Singtel" refers to Singtel Group excluding Optus.

## Notes:

- (1) Based on Singapore Financial Reporting Standards (International).
- (2) FY 2018 included the gain on disposal of economic interest in NetLink Trust of S\$2.03 billion.
- (3) Underlying net profit is defined as net profit before exceptional items.
- (4) Average A\$ rate for translation of Optus' operating revenue.
- (5) Free cash flow refers to cash flow from operating activities, including dividends from associates, less cash capital expenditure.
- (6) Return on invested capital is defined as EBIT (post-tax) divided by average capital.

# Group Five-year Financial Summary

## FIVE-YEAR FINANCIAL REVIEW

### FY 2019

The Group has executed well on its strategy amid challenging conditions and gained market share in mobile across both Singapore and Australia. Operating revenue was stable at S\$17.37 billion while EBITDA declined 7.1% to S\$4.69 billion due partly to a 6% depreciation in the Australian Dollar. In constant currency terms, operating revenue grew 3.7% driven mainly by increases in ICT, digital services and equipment sales. However, EBITDA was down 3.9% mainly due to lower legacy carriage services especially voice, and price erosion.

The associates' pre-tax contributions declined a steep 38% to S\$1.54 billion mainly driven by operating losses at Airtel and lower contribution from Telkomsel amid aggressive price competition in India and Indonesia. The decline was partly mitigated by double-digit profit growth at Globe with robust revenue growth in mobile and broadband.

With lower contributions from the associates, underlying net profit declined by 21%. Net profit was S\$3.10 billion, down 44% from FY 2018 which included an exceptional gain from the divestment of units in NetLink Trust.

### 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 units in 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. 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.

# Group Five-year Financial Summary

## 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.