



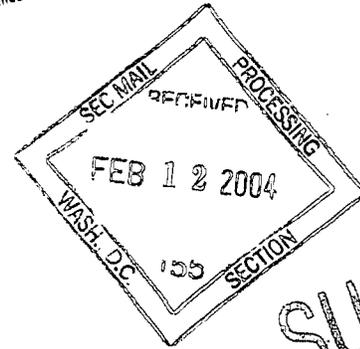
SingTel

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Website : www.singtel.com



5 February 2004

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington
District of Colombia 20549



SUPPL

Dear Sir/Madam

SINGAPORE TELECOMMUNICATIONS LIMITED'S SUBMISSION TO SECURITIES AND EXCHANGE COMMISSION

Pursuant to Rule 12g3-2(b) of the U.S. Securities Exchange Act, we enclose the attached releases by Singapore Telecommunications Limited to the Singapore Exchange Securities Trading Limited.

Our SEC file number is 82-3622.

Yours faithfully

Monica Poh (Ms)
Senior Legal Counsel

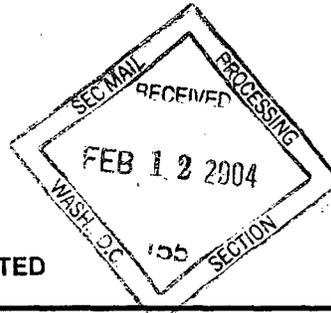
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SEC File No: 82-3622



MASNET No. 2 OF 03.02.2004
Announcement No. 2

SINGAPORE TELECOMMUNICATIONS LIMITED

News Release - SingTel's regional mobile subscriber base surpasses 44 million

Attached is an announcement made by Singapore Telecommunications Limited on the above.



3Feb04Release.pdf

Submitted by Chan Su Shan (Ms), Company Secretary on 03/02/2004 to the SGX



News Release

SingTel's regional mobile subscriber base surpasses 44 million

Year-on-year growth of 37 per cent

Singapore, 2 February 2004 – Singapore Telecommunications Limited (SingTel), Asia Pacific's largest multi-market mobile operator, today announced that its aggregate mobile subscriber base in the region exceeded 44 million as at 31 December 2003.

The combined mobile subscriber base of SingTel, SingTel Optus and SingTel's four regional associates grew 37 per cent from about 32 million subscribers a year ago. On a proportionate basis, SingTel's mobile subscriber base in the six markets increased 39 per cent to 18.2 million during the same period.

The consolidated subscriber base of SingTel's four Asian mobile associates – Advanced Info Service, Bharti Group, Globe Telecom and Telkomsel – rose 43 per cent to 37.2 million as at 31 December 2003. All four operators enjoyed strong double-digit growth and maintained their respective share of the market.

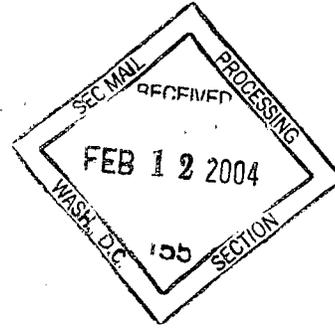
SingTel's wholly-owned subsidiary Optus posted an 18 per cent growth in subscribers, bringing its base to 5.36 million as at 31 December 2003. The growth was achieved despite a mobile penetration of 77 per cent in Australia and Optus took market share and added more higher-value customers.

Optus has an on-going mobile coverage enhancement programme with the aim of providing improved coverage throughout Australia. Since 1999, it has built an average of one new mobile base station every day, and today the Optus mobile network provides mobile coverage to 94 per cent of Australia's population.

In Singapore, SingTel Mobile grew both its prepaid and postpaid subscriber base over the quarter even with the introduction of Mobile Number Portability in August 2003. Postpaid churn has remained at a very low 1.1 per cent a month, the result of successful customer retention.

To encourage greater use of mobile data services, SingTel Mobile has introduced *IDEAS Direct*, which pre-configures new mobile phone models with all the settings required for subscribers to enjoy WAP and GPRS services as well as to send and receive MMS. With this, subscribers can explore the various mobile data services available without the hassle of self configuration and the inconvenience of navigating through the different menus.

More details of the market and financial performance of the six mobile operations will be available when SingTel announces its results for the quarter ended 31 December 2003 on 5 February 2004



At a glance

	Aggregate subscriber base (millions)			SingTel's proportionate subscriber base (millions)		
	Dec 03	Sept 03	Dec 02	Dec 03	Sept 03	Dec 02
Optus	5.36	5.07	4.54	5.36	5.07	4.54
SingTel	1.53	1.52	1.56	1.53	1.52	1.56
SingTel's regional associates	37.19	34.20	26.02	11.32	9.47	7.03
Total	44.08	40.79	32.12	18.21	16.06	13.13

About SingTel and Optus

SingTel, Asia's leading communications company, is reaping benefits of an international expansion strategy which has been successfully developed over the last 15 years. Operating out of two major centres, Singapore and Australia (through wholly-owned subsidiary SingTel Optus), the SingTel Group provides a comprehensive portfolio of services that include voice and data services over fixed, wireless and Internet platforms. The Group is well diversified in terms of business mix and geography.

SingTel Optus is Australia's leading integrated communications company - serving around six million customers each day. Since commencing operations in 1992, Optus has invested more than A\$7 billion in the construction of fixed, mobile and satellite networks. Optus' mobile business unit has captured around one third of the total Australian GSM mobile market and leads the market in mobile data take-up.

Management of SingTel's and Optus' mobile networks has been integrated under one unit with the objective of reducing capital expenditure in the short term and achieving lower operating cost in the long term. Mobile services common to both SingTel and Optus will have the same platform across both countries, resulting in better economies of scale and lower operations and maintenance costs. The combined unit will also jointly develop new mobile applications, including 3G.

More information can be found @ www.singtel.com and www.optus.com.au.

About SingTel's regional mobile associates

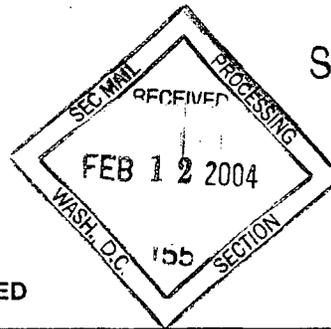
AIS is the largest mobile communications operator in Thailand and is listed on the Stock Exchange of Thailand. The company's subscriber base jumped to 12.7 million as at end September 2003 from 9.8 million a year ago. Despite the keen competitive environment following the entry of new cellular operators, AIS remained the market leader with about 60 per cent market share as of end September 2003. SingTel has a 21.5 per cent stake in AIS.



The Bharti Group is India's leading private sector provider of integrated telecommunications services and is listed on the National Stock Exchange, Delhi Stock Exchange and the Stock Exchange of Mumbai. Bharti, which offers mobile services in 15 out of 23 circles in India, is the largest mobile operator in India with over 25 per cent market share. As of 30 September 2003, Bharti had about 4.6 million mobile subscribers. SingTel has a 28.5 per cent stake in Bharti.

Globe Telecom is one of the largest mobile communications service providers in the Philippines in terms of revenue and is listed on the Philippine Stock Exchange. As of 30 September 2003, Globe had 8.1 million mobile subscribers, up from 6.0 million a year ago. Subsequent to 30 September 2003, SingTel increased its stake in Globe from 29.1 per cent to 40.1 per cent.

Telkomsel is the leading operator of mobile communications services in Indonesia with a market share of over 53 per cent as of September 2003. Its subscriber base of 8.8 million customers as of September 2003 was up 76 per cent from 5 million a year ago. SingTel has a 35.0 per cent stake in Telkomsel.



MASNET No. 22 OF 26.01.2004
Announcement No. 22

SINGAPORE TELECOMMUNICATIONS LIMITED

Notice Of Change In Interest of Director of Subsidiary

PART I [Please complete this Part]

1. Date of notice to issuer: 24/01/2004
2. Name of Director of Subsidiary: Lee Kwok Cheong

3. Please tick one or more appropriate box(es):

- a Director's (including a director who is a substantial shareholder) Interest and Change in Interest. [Please complete Parts II and IV]
- a New Substantial Shareholder's Interest. [Please complete Parts II and IV]
- a Change in the Percentage Level of a Substantial Shareholder's Interest or Cessation of Interest. [Please complete Parts III and IV]

PART II

1. Date of change of interest: 21/01/2004
2. Name of Registered Holder: Lee Kwok Cheong
3. Circumstance(s) giving rise to the interest or change in interest: Sales in open market at own discretion

4. Information relating to shares held in the name of the Registered Holder: -

No. of shares held before the change:	251,740
As a percentage of issued share capital:	
No. of shares which are the subject of this notice:	(50,000)
As a percentage of issued share capital:	
Amount of consideration (excluding brokerage and stamp duties) per share paid or received:	\$2.00
No. of shares held after the change:	201,740
As a percentage of issued share capital:	

PART III

1. Date of change of interest:
2. The change in the percentage level: From % to %
3. Circumstance(s) giving rise to the interest or change in interest:
4. A statement of whether the change in the percentage level is the result of a transaction or a series of transactions.

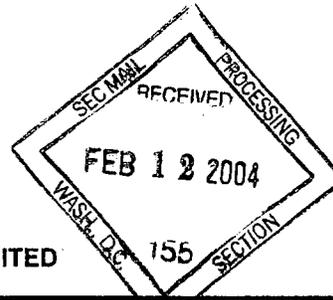
PART IV

1. Holdings of Director of Subsidiary, including direct and deemed interest: -

	Direct	Deemed
No. of shares held before the change:	251,740	
As a percentage of issued share capital:		
No. of shares held after the change:	201,740	
As a percentage of issued share capital:		

This transaction was reported to Singapore Telecommunications Limited on 26 January 2004.

Submitted by Chan Su Shan (Ms), Company Secretary on 26/01/2004 to the SGX



MASNET No. 44 OF 30.01.2004
Announcement No. 58

SINGAPORE TELECOMMUNICATIONS LIMITED

Notice Of Change In Interest of Director of Subsidiary

PART I [Please complete this Part]

1. Date of notice to issuer: 19/01/2004
2. Name of Director of Subsidiary: Tham Ai Chyn

3. Please tick one or more appropriate box(es):

- a Director's (including a director who is a substantial shareholder) Interest and Change in Interest.
[Please complete Parts II and IV]
- a New Substantial Shareholder's Interest. [Please complete Parts II and IV]
- a Change in the Percentage Level of a Substantial Shareholder's Interest or Cessation of Interest.
[Please complete Parts III and IV]

PART II

1. Date of change of interest: 15/01/2004
2. Name of Registered Holder: Tham Ai Chyn
3. Circumstance(s) giving rise to the interest or change in interest: Sales in open market at own discretion

4. Information relating to shares held in the name of the Registered Holder: -

No. of shares held before the change:	30,750
As a percentage of issued share capital:	
No. of shares which are the subject of this notice:	(30,000)
As a percentage of issued share capital:	
Amount of consideration (excluding brokerage and stamp duties) per share paid or received:	\$1.94
No. of shares held after the change:	750
As a percentage of issued share capital:	

PART III

1. Date of change of interest:
2. The change in the percentage level: From % to %
3. Circumstance(s) giving rise to the interest or change in interest:
4. A statement of whether the change in the percentage level is the result of a transaction or a series of transactions.

PART IV

1. Holdings of Director of Subsidiary, including direct and deemed interest: -

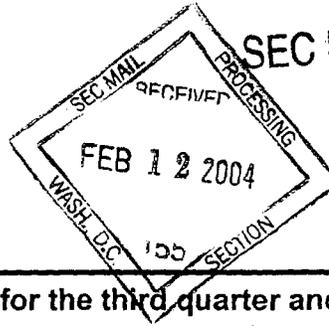
	Direct	Deemed
No. of shares held before the change:	30,750	
As a percentage of issued share capital:		
No. of shares held after the change:	750	
As a percentage of issued share capital:		

This transaction was reported to Singapore Telecommunications Limited on 30 January 2004.

Submitted by Chan Su Shan (Ms), Company Secretary on 30/01/2004 to the SGX

SEC File No: 82-3622

MASNET No. 16 OF 26.01.2004
Announcement No. 16



SINGAPORE TELECOMMUNICATIONS LIMITED

Announcement - SingTel Group's results for the third quarter and nine months ended 31 December 2003

Singapore Telecommunications Limited will be announcing its results for the third quarter and nine months ended 31 December 2003 on 5 February 2004, before the start of trading on the Singapore Exchange.

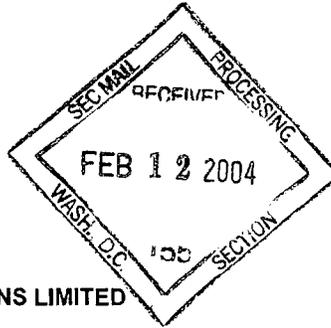
By Order of the Board

Chan Su Shan (Ms)
Company Secretary

Dated : 26 January 2004

Submitted by Chan Su Shan (Ms), Company Secretary on 26/01/2004 to the SGX

SEC File No: 82-3622



SINGAPORE TELECOMMUNICATIONS LIMITED

ANNOUNCEMENT - FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE
MONTHS ENDED 31 DECEMBER 2003
- NEWS RELEASE

Attached is the news release on the Singapore Telecommunications Limited Group's results for the quarter ended 31 December 2003.



Release5Feb04.pdf

Submitted by Chan Su Shan (Ms), Company Secretary on 05/02/2004 to the SGX



News Release

The SingTel Group's results for the third quarter and nine months ended 31 December 2003

*Quarterly net profit after tax almost tripled to S\$854 million
Revenue for quarter up 16% crossing S\$3 billion mark for the first time*

Singapore & Sydney, 5 February 2004 – Singapore Telecommunications Limited (SingTel) today announced its unaudited results for the third quarter and nine months ended 31 December 2003. Unless otherwise indicated, comparisons in this news release are against the quarter ended 31 December 2002.

Highlights

	Quarter		YOY	Nine months		YOY
	Dec 2003 (S\$ m)	Dec 2002 (S\$ m)	Change	Dec 2003 (S\$ m)	Dec 2002 (S\$ m)	Change
Operating revenue	3,021	2,606	15.9%	8,831	7,530	17.3%
Operational EBITDA	1,107	941	17.7%	3,181	2,791	14.0%
Share of associates' ordinary earnings	424	203	109.2%	1,059	523	102.7%
EBITDA	1,354	1,233	9.8%	4,188	3,801	10.2%
Net profit (pre-goodwill)	1,018	461	120.7%	3,014	1,572	91.7%
Net profit	854	296	188.4%	2,524	1,088	132.0%

Group

The SingTel Group delivered yet another set of robust results for the quarter ended 31 December 2003, with extremely strong growth in both revenues and profits. Net profit after tax rose 188 per cent to S\$854 million. Excluding goodwill, net profit was S\$1.02 billion, an increase of 121 per cent.

Revenue for the Group increased by 16 per cent to S\$3.02 billion, crossing the S\$3 billion mark for the first time. Operational EBITDA rose 18 per cent to S\$1.11 billion, with Optus contributing 54 per cent of it.

The Group's operating margin expanded further to 37 per cent, with both the Singapore and Australian operations enjoying better margins. Free cash flow generation continued to be strong at S\$652 million.

Group EBITDA, aided by strong performances by the regional mobile associates, grew 32 per cent (excluding the impact of the associates' exceptional items) to S\$1.62 billion.



Overseas operations contributed 68 per cent of the Group's proportionate EBITDA. In terms of revenue, 77 per cent was from outside Singapore.

For this quarter, the Group recorded a S\$223 million foreign exchange gain on Australian Dollar denominated loans to Optus.

Group net profit, pre-goodwill, for the nine months ended 31 December 2003 rose 92 per cent to S\$3.01 billion. Post-goodwill, it more than doubled to S\$2.52 billion. Revenue for the nine months increased 17 per cent to S\$8.83 billion despite the divestment of the postal and directories businesses.

Mr Lee Hsien Yang, SingTel President & CEO, said: "I am delighted with the excellent progress of the Group's performance. SingTel is well on track to meet its targets for the year with strong growth in both earnings and cash flows.

"The careful formulation and successful execution of our strategy over the years have enabled SingTel to transform itself into the blue chip growth stock it is today. We are confident of delivering double digit earnings growth for the medium term, and continuing to enhance value for our shareholders."

SingTel

In Singapore, SingTel improved its operating margin to 52 per cent for the quarter and generated free cash flow of S\$355 million despite difficult market conditions.

Excluding revenues from the postal and directories businesses, SingTel's revenue fell 8.4 per cent to S\$973 million. This was due to weaker than expected revenues from IT and engineering services and the continued weakness in international telephone revenue. Revenue from data and mobile services however remained stable on a sequential basis.

Data and Internet revenue for this quarter was S\$279 million, comparable to the preceding three quarters, although a 3.1 per cent decline year-on-year. Demand for broadband services remained robust, with the number of ADSL lines growing 88 per cent to 242,000. Broadband revenue more than doubled to S\$61 million for the quarter.

There were improvements in **mobile communications**. Monthly postpaid churn fell to a record low of 1.1 per cent despite the introduction of free mobile number retention in August 2003. Acquisition cost per subscriber fell sharply to S\$141 in the quarter from S\$194 a year ago.

Mobile revenue was S\$207 million for the quarter, an increase of 1.0 per cent year-on-year. Both prepaid and postpaid ARPUs were stable with data services contributing 17 per cent of mobile revenue, up from 13 per cent a year ago. The number of mobile subscribers grew slightly during the quarter to 1.53 million.



In the **international telephone** market, SingTel retained a significant share of 77 per cent. The number of outgoing international minutes rose 2.6 per cent to 233 million for the quarter. However, lower average collection rates and a drop in inpayments resulted in revenue from this segment decreasing 12 per cent to S\$180 million. This was however smaller than the 16 per cent decline recorded in the preceding quarter.

Revenue from **IT and engineering** services contracted 28 per cent during the quarter to S\$113 million. This was due to a variety of factors – weakened IT demand in Singapore, a slower than expected post-Sars recovery in China and an unusually strong third quarter last year.

SingTel continued to manage its costs very carefully. Excluding SingPost and Yellow Pages, operating expenses fell a hefty 12 per cent, greater than the decline in revenue, to S\$470 million.

Gross staff cost fell 3.5 per cent due mainly to the reduction in the employers' CPF rate from 16 to 13 per cent and lower headcount. As at 31 December 2003, SingTel and its subsidiaries (excluding Optus) had 10,324 employees, a decrease of 3.2 per cent compared to last year.

Traffic expenses (excluding SingPost) fell 3.5 per cent year-on-year. Excluding a one-time credit in the last corresponding quarter, traffic expenses would have declined by 15 per cent reflecting lower settlement rates.

Selling and administrative expenses dropped 17 per cent (excluding payments to SingPost and Yellow Pages) as a result of lower mobile acquisition and retention costs and lower licence fees.

SingTel's cash flow during the quarter was boosted by dividends received from SingPost and PT Bukaka of S\$90 million and S\$22 million respectively.

With the completion of the C2C cable network, SingTel's cash capex during the quarter fell sharply to S\$78 million, and this brought the cash capex-to-operating revenue ratio down to 8 per cent from 11 per cent a year ago. SingTel expects its capex to revenue ratio for the full financial year to be lower than the previous guidance given of low to mid teens.

SingTel Optus

In Australia, Optus' net profit after tax for the third quarter was A\$126 million compared to A\$22 million last year. Net profit for the first nine months of the year was A\$316 million.

Revenue for the quarter was up 14 per cent to A\$1.66 billion (S\$2.05 billion). In Singapore Dollar terms, the growth was stronger at 43 per cent. Operational EBITDA grew 36 per cent to A\$488 million and margins expanded to 29 per cent, up five percentage points.

"Optus is tracking well in terms of its full year guidance," Optus Chief Executive, Mr Chris Anderson said. "There were revenue growth, margin expansion and increases in market share for all divisions."



“Driven by stronger operating performance, free cash flow continued to improve. Free cash flow for the quarter was A\$210 million, up 47 per cent compared to A\$143 million for the same period last year,” he said.

For the year to date, free cash flow was A\$697 million, an improvement of 115 per cent on the corresponding period last year.

Cash capital expenditure for the quarter was A\$280 million, an increase of 13 per cent on the same quarter last year. This quarter included a significant payment for Southern Cross cable capacity of A\$107 million.

On a year to date basis, capex reached A\$634 million or 13 per cent of revenues excluding the C1 contract, which compares favourably to the ratio of 16 per cent last year.

Optus Mobile continues to deliver profitable growth with total revenues for the quarter up 18 per cent to A\$915 million and mobile service revenues (excluding equipment) up 17 per cent.

Mobile data revenues grew by more than 40 per cent with the number of SMS messages per subscriber increasing by 27 per cent compared to the same quarter last year. Data now represents 14 per cent of service revenues.

Mobile customer numbers increased 18 per cent to 5.37 million while postpaid ARPU was up 7.6 per cent for the quarter.

Mobile’s operational EBITDA margin reached 37 per cent for the quarter. This reflects a continuing focus on high value customers, as well as a 7.9 per cent reduction in unit subscriber acquisition and retention costs compared to the same quarter last year.

Overall revenue for **Optus Business and Wholesale** rose 5.7 per cent to A\$372 million this quarter as both divisions announced important customer wins. The combined EBITDA margin improved five percentage points to 26 per cent driving EBITDA growth of over 30 per cent compared to the same quarter last year.

Optus Business continues to make gains in the competitive corporate market with revenue growth of 4.8 per cent compared to the same quarter last year. This result was driven by healthy growth in corporate voice revenues.

The Optus satellite business is performing strongly and third quarter revenues increased by 14 per cent. Optus is the leading provider of satellite television broadcasting in Australia and New Zealand with more than one million dishes pointing at Optus satellites.

Optus Wholesale reported another strong 7.9 per cent increase in revenue compared to the same quarter last year.

Optus Consumer and Multimedia reported another quarter of cash flow growth – its fourth consecutive quarter of positive cash flow. Revenue growth remained strong, up 14 per cent for the quarter while its EBITDA margin expanded to 14 per cent, a 10 percentage point improvement on the same quarter last year.

HFC¹ revenues grew by 8.5 per cent, reflecting ARPU increases and a higher bundling rate – with local telephony bundling at 63 per cent compared to 59 per cent last year.

¹ Hybrid Fibre Coaxial cable



Internet customer numbers increased by 18 per cent on the same quarter last year to 647,000, with broadband Internet customer numbers up 55 per cent to 132,000.

Optus' off-net telephony business continues to grow with revenue increasing by 17 per cent to A\$184 million and bundling rates growing by five percentage points to 38 per cent.

The division generated free cash flow of A\$32 million in the quarter taking free cash flow for the nine months to A\$71 million – an improvement of A\$205 million over the same period last year. The EBITDA improvement and a decline in the capex to revenue ratio contributed to this strong position.

Associated companies

The Group's share of pre-tax profits from the ordinary operations of its associates increased 2.1 times to S\$424 million.

Share of ordinary earnings from the regional mobile business – **AIS, Bharti, Globe and Telkomsel** – rose 68 per cent to S\$238 million as the number of mobile subscribers jumped 43 per cent to 37.2 million. Including Optus and SingTel, the Group's regional mobile base as at 31 December 2003 was 44.1 million, a year on year gain of 37 per cent.

Telkomsel increased its contribution to the Group's pre-tax profit by 52 per cent to S\$128 million. Profit growth was spurred on by a strong operating performance as its mobile subscriber base went up by over 60 per cent to 9.6 million.

SingTel's share of ordinary earnings from AIS rose 31 per cent to S\$65 million, the result of strong subscriber growth and effective cost management. Contributions (pre-exceptionals) from Bharti and Globe amounted to S\$25 million and S\$21 million respectively.

There were also positive earnings contributions from **Belgacom, SingPost** and **PT Bukaka** including an additional quarter of results from Belgacom following an alignment of its financial period with the Group's for consolidation purposes.

Exceptional items from the associates were mainly related to the transfer of Belgacom's pension fund to the Belgian State, as part of Belgacom's preparations for its initial public offering.

For the nine months to 31 December 2003, SingTel received from its associates ordinary dividends amounting to S\$328 million, a 152 per cent increase compared to the same period last year. There was also a special dividend of S\$200 million from SingPost.

Financial position

The Group's free cash flow² for the quarter, at S\$652 million, was higher by 25 per cent compared to a year ago. This reflected improved cash flow at Optus.

² Cash flow from operating activities less cash capex



Net debt was higher at S\$8.49 billion due to the additional investment in Globe, settlement of the bond buyback executed at the end of September 2003 and foreign exchange rate movements.

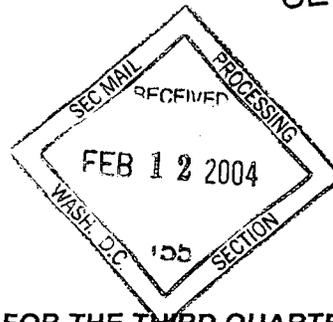
Net debt gearing was 32 per cent. Net debt was 1.5 times EBITDA while EBITDA was 14 times of net interest expense. These credit ratios are in line with commitments made to bond investors.

The Group announced at the last results that it has increased its dividend payout ratio to between 40 and 50 per cent of net profit after tax, excluding goodwill and exceptional items. It also said that it will consider special dividends, or alternative capital management strategies, if exceptional items result in significant cash inflows.

Please refer to the Management Discussion and Analysis document for a full commentary on the Group's results.



SEC File No: 82-3622



SINGAPORE TELECOMMUNICATIONS LIMITED

**ANNOUNCEMENT - FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003
- SGX APPENDIX 7.2 ANNOUNCEMENT**

Attached is the Singapore Exchange Securities Trading Limited "Appendix 7.2" announcement for the third quarter and nine months ended 31 December 2003 for Singapore Telecommunications Limited and its subsidiary companies.



SGX.pdf

Submitted by Chan Su Shan (Ms), Company Secretary on 05/02/2004 to the SGX



**SINGAPORE TELECOMMUNICATIONS LIMITED
AND SUBSIDIARY COMPANIES**

**SGX APPENDIX 7.2 ANNOUNCEMENT
UNAUDITED FINANCIAL CONDITION AND RESULTS
FOR THE THIRD QUARTER AND NINE MONTHS
ENDED 31 DECEMBER 2003**

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**CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

	Notes	Quarter		Nine months	
		31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil
Operating revenue		3,021.3	2,606.2	8,830.8	7,529.7
Operating expenses		(1,916.7)	(1,687.2)	(5,690.1)	(4,783.0)
Other income	1	2.7	21.9	40.4	44.5
Operational EBITDA ⁽¹⁾		1,107.3	940.9	3,181.1	2,791.2
Compensation from IDA		84.3	84.3	252.8	252.8
Amortisation of goodwill arising on acquisition of subsidiary companies		(141.5)	(143.5)	(424.3)	(428.7)
Depreciation and other amortisation	2	(469.2)	(446.2)	(1,360.0)	(1,289.7)
		580.9	435.5	1,649.6	1,325.6
Exceptional items	3	186.2	(25.8)	867.3	(101.0)
Profit on operating activities		767.1	409.7	2,516.9	1,224.6
Associated and joint venture companies					
- share of ordinary results		424.4	202.9	1,059.1	522.6
- share of exceptional results	4	(261.9)	4.9	(304.6)	234.4
- amortisation of goodwill		(23.0)	(21.8)	(65.6)	(55.4)
		139.5	186.0	688.9	701.6
Profit before interest and tax		906.6	595.7	3,205.8	1,926.2
Interest and investment income	5	247.0	21.0	300.1	14.3
Interest on borrowings	6	(118.0)	(133.0)	(356.5)	(408.2)
Profit before tax		1,035.6	483.7	3,149.4	1,532.3
Taxation	7	(200.8)	(206.9)	(663.2)	(478.6)
Profit after tax		834.8	276.8	2,486.2	1,053.7
Minority interest		18.8	19.2	37.6	34.2
Profit attributable to shareholders		853.6	296.0	2,523.8	1,087.9
Basic earnings per share (cents)	9	4.79	1.66	14.16	6.10
Basic earnings per share (cents) (before goodwill and exceptional items)	9	4.70	2.73	12.07	8.70
Diluted earnings per share (cents)	9	4.78	1.66	14.15	6.10
EBITDA ⁽¹⁾ (S\$ mil)	10	1,354.1	1,233.0	4,188.4	3,801.0

Note:

(1) EBITDA refers to earnings before interest, tax, depreciation and amortisation.

**BALANCE SHEETS
AS AT 31 DECEMBER 2003**

	Group		Company		
	31 Dec 2003 S\$ mil	31 Mar 2003 S\$ mil	31 Dec 2003 S\$ mil	31 Mar 2003 S\$ mil	
	Note	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Current assets					
Cash and cash equivalents		2,011.1	949.4	885.8	489.4
Short term investments		480.6	107.9	5.0	20.0
Trade and other debtors		2,351.1	2,126.6	1,369.0	1,368.1
Inventories		237.0	383.4	7.3	10.5
		5,079.8	3,567.3	2,267.1	1,888.0
Non-current assets					
Property, plant and equipment (net)		12,527.9	12,725.2	2,866.9	2,994.0
Goodwill on consolidation		9,877.5	10,294.9	-	-
Intangibles		588.3	521.4	4.4	4.6
Subsidiary companies		-	-	19,962.7	19,972.3
Associated companies		5,361.3	4,845.8	35.4	3.1
Joint venture companies		320.6	358.9	167.1	170.8
Long term investments		155.3	226.5	70.1	131.4
Deferred tax assets		1,000.7	953.4	-	-
Other non-current assets		121.3	177.1	27.1	25.3
		29,952.9	30,103.2	23,133.7	23,301.5
Total assets		35,032.7	33,670.5	25,400.8	25,189.5
Current liabilities					
Trade and other creditors		3,108.7	3,454.6	1,101.8	1,152.9
Provisions		18.9	18.5	-	-
Due to subsidiary companies		-	-	286.6	465.9
Borrowings (unsecured)	11	102.5	427.9	-	-
Borrowings (secured)	11	1,077.6	340.3	-	-
Deferred income		50.9	-	-	-
Current income tax		336.4	477.9	210.8	264.3
		4,695.0	4,719.2	1,599.2	1,883.1
Non-current liabilities					
Due to subsidiary companies		-	-	-	101.7
Borrowings (unsecured)	11	8,964.2	8,946.1	6,378.9	6,438.0
Borrowings (secured)	11	126.5	958.1	-	-
Deferred income tax		583.1	603.0	461.9	462.6
Deferred income		1,164.8	1,426.4	1,106.7	1,360.3
Advance billings		1,174.6	1,195.2	-	-
Other non-current liabilities		311.1	203.6	19.1	20.9
		12,324.3	13,332.4	7,966.6	8,383.5
Total liabilities		17,019.3	18,051.6	9,565.8	10,266.6
Net assets		18,013.4	15,618.9	15,835.0	14,922.9
Share capital and reserves					
Share capital		2,674.5	2,673.9	2,674.5	2,673.9
Reserves		15,226.3	12,796.1	13,160.5	12,249.0
Interest of shareholders of the Company					
Minority interests		17,900.8	15,470.0	15,835.0	14,922.9
		112.6	148.9	-	-
		18,013.4	15,618.9	15,835.0	14,922.9

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003**

Group - 2003	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Other reserves S\$ mil	Total S\$ mil
Balance as at 1 Oct 2003	2,674.1	4,850.6	9.2	692.1	10,652.3	(2,008.7)	16,869.6
Currency translation differences Goodwill released upon disposal of associated companies	-	-	-	146.7	-	-	146.7
Net gains not recognised in the income statement	-	-	-	146.7	-	26.5	173.2
Net profit for the period	-	-	-	146.7	853.6	-	853.6
Total recognised gains for the period	-	-	-	146.7	853.6	26.5	1,026.8
Issue of new shares	0.4	4.0	-	-	-	-	4.4
Balance as at 31 Dec 2003	2,674.5	4,854.6	9.2	838.8	11,505.9	(1,982.2)	17,900.8

Group - 2002	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Other reserves S\$ mil	Total S\$ mil
Balance as at 1 Oct 2002	2,673.9	4,848.8	9.2	(40.8)	9,138.3	(2,083.8)	14,545.6
Currency translation differences Goodwill released on disposal of associated company	-	-	-	1.2	-	-	1.2
Net gains not recognised in the income statement	-	-	-	1.2	-	3.4	4.6
Net profit for the period	-	-	-	1.2	296.0	-	296.0
Total recognised gains for the period	-	-	-	1.2	296.0	3.4	300.6
Balance as at 31 Dec 2002	2,673.9	4,848.8	9.2	(39.6)	9,434.3	(2,080.4)	14,846.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (continued)
FOR THE NINE MONTHS ENDED 31 DECEMBER 2003

Group - 2003	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Other reserves S\$ mil	Total S\$ mil
Balance as at 1 Apr 2003	2,673.9	4,848.8	9.2	210.3	9,746.9	(2,019.1)	15,470.0
Currency translation differences	-	-	-	628.5	-	-	628.5
Goodwill released upon disposal of associated companies	-	-	-	-	-	26.5	26.5
Adjustment to goodwill previously taken to reserves arising from recognition of deferred tax assets	-	-	-	-	-	10.4	10.4
Net gains not recognised in the income statement	-	-	-	628.5	-	36.9	665.4
Net profit for the period	-	-	-	-	2,523.8	-	2,523.8
Total recognised gains for the period	-	-	-	628.5	2,523.8	36.9	3,189.2
Final dividends for 2002/2003	-	-	-	-	(764.8)	-	(764.8)
Issue of new shares	0.6	5.8	-	-	-	-	6.4
Balance as at 31 Dec 2003	2,674.5	4,854.6	9.2	838.8	11,505.9	(1,982.2)	17,900.8

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (continued)
FOR THE NINE MONTHS ENDED 31 DECEMBER 2003**

Group - 2002	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Other reserves S\$ mil	Total S\$ mil
Balance as at 1 Apr 2002	2,673.9	4,848.8	9.2	22.9	9,111.1	(2,086.9)	14,579.0
Currency translation differences Goodwill released on disposal of associated company	-	-	-	(62.5)	-	-	(62.5)
Net (losses)/gains not recognised in the income statement	-	-	-	(62.5)	-	6.5	(56.0)
Net profit for the period	-	-	-	-	1,087.9	-	1,087.9
Total recognised (losses)/gains for the period	-	-	-	(62.5)	1,087.9	6.5	1,031.9
Final dividends for 2001/2002	-	-	-	-	(764.7)	-	(764.7)
Balance as at 31 Dec 2002	2,673.9	4,848.8	9.2	(39.6)	9,434.3	(2,080.4)	14,846.2

**STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003**

Company - 2003	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Total S\$ mil
Balance as at 1 Oct 2003	2,674.1	4,850.6	9.2	27.4	7,916.2	15,477.5
Currency translation differences	-	-	-	32.5	-	32.5
Net gains not recognised in the income statement	-	-	-	32.5	-	32.5
Net profit for the period	-	-	-	-	320.6	320.6
Total recognised gains for the period	-	-	-	32.5	320.6	353.1
Issue of new shares	0.4	4.0	-	-	-	4.4
Balance as at 31 Dec 2003	2,674.5	4,854.6	9.2	59.9	8,236.8	15,835.0

Company - 2002	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Total S\$ mil
Balance as at 1 Oct 2002	2,673.9	4,848.8	9.2	(54.9)	6,770.1	14,247.1
Currency translation differences	-	-	-	23.8	-	23.8
Net gains not recognised in the income statement	-	-	-	23.8	-	23.8
Net profit for the period	-	-	-	-	523.0	523.0
Total recognised gains for the period	-	-	-	23.8	523.0	546.8
Balance as at 31 Dec 2002	2,673.9	4,848.8	9.2	(31.1)	7,293.1	14,793.9

**STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (continued)
FOR THE NINE MONTHS ENDED 31 DECEMBER 2003**

Company - 2003	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Total S\$ mil
Balance as at 1 Apr 2003	2,673.9	4,848.8	9.2	(2.7)	7,393.7	14,922.9
Currency translation differences	-	-	-	62.6	-	62.6
Net gains not recognised in the income statement	-	-	-	62.6	-	62.6
Net profit for the period	-	-	-	-	1,607.9	1,607.9
Total recognised gains for the period	-	-	-	62.6	1,607.9	1,670.5
Final dividends for 2002/2003	-	-	-	-	(764.8)	(764.8)
Issue of new shares	0.6	5.8	-	-	-	6.4
Balance as at 31 Dec 2003	2,674.5	4,854.6	9.2	59.9	8,236.8	15,835.0

Company - 2002	Share capital S\$ mil	Share premium S\$ mil	Capital redemption reserve S\$ mil	Currency translation reserve S\$ mil	Retained earnings S\$ mil	Total S\$ mil
Balance as at 1 Apr 2002	2,673.9	4,848.8	9.2	(101.5)	6,931.8	14,362.2
Currency translation differences	-	-	-	70.4	-	70.4
Net gains not recognised in the income statement	-	-	-	70.4	-	70.4
Net profit for the period	-	-	-	-	1,126.0	1,126.0
Total recognised gains for the period	-	-	-	70.4	1,126.0	1,196.4
Final dividends for 2001/2002	-	-	-	-	(764.7)	(764.7)
Balance as at 31 Dec 2002	2,673.9	4,848.8	9.2	(31.1)	7,293.1	14,793.9

**CONSOLIDATED CASH FLOW STATEMENTS (UNAUDITED)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

	Quarter		Nine months	
	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil
Cash Flows from Operating Activities				
Profit before tax	1,035.6	483.7	3,149.4	1,532.3
Adjustments for:				
Amortisation of goodwill	164.5	165.3	489.9	484.1
Amortisation - others	5.7	9.5	26.7	23.6
Depreciation of property, plant and equipment	463.5	436.7	1,333.3	1,266.1
Exceptional items	(186.2)	25.8	(867.3)	101.0
IDA compensation	(84.3)	(84.3)	(252.8)	(252.8)
Interest and investment income	(247.0)	(21.0)	(300.1)	(14.3)
Interest on borrowings	118.0	133.0	356.5	408.2
Net loss/(gain) on disposal of property, plant and equipment	3.5	(0.6)	4.7	8.2
Property, plant and equipment written off	-	-	0.1	-
Share of results of associated and joint venture companies	(162.5)	(207.8)	(754.5)	(757.0)
Other non-cash items	1.5	(0.1)	3.5	(1.6)
	<u>76.7</u>	<u>456.5</u>	<u>40.0</u>	<u>1,265.5</u>
Operating cash flow before working capital changes	1,112.3	940.2	3,189.4	2,797.8
Changes in operating assets and liabilities				
Trade and other debtors	(39.4)	(21.5)	(2.0)	193.7
Trade and other creditors	(2.9)	(3.4)	(214.3)	(201.0)
Inventories	(13.9)	(15.1)	(51.4)	(46.4)
Provisions	1.1	0.5	0.4	1.0
Currency translation adjustments of subsidiary companies	46.1	7.3	47.2	(0.4)
Cash generated from operations	1,103.3	908.0	2,969.3	2,744.7
Dividends received from associated and joint venture companies	22.6	170.3	327.5	269.9
Dividends received from Singapore Post Limited ⁽¹⁾	90.0	-	200.0	-
Income tax paid	(144.3)	(179.7)	(362.0)	(423.9)
Net cash inflow from operating activities	<u>1,071.6</u>	<u>898.6</u>	<u>3,134.8</u>	<u>2,590.7</u>

**CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED) (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

	Quarter		Nine months	
	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil
Cash Flows from Investing Activities				
Dividends received from other investments	1.5	3.7	11.9	7.9
Interest received	6.7	4.4	26.4	20.5
Proceeds from sale of Yellow Pages directory assets and businesses ⁽²⁾	-	-	222.7	-
Payment for purchase of subsidiary company net of cash acquired ⁽³⁾	-	(14.1)	(6.1)	(14.1)
Proceeds from divestment of subsidiary company, net of cash disposed ⁽⁴⁾	-	-	348.8	-
Adjustment to proceeds from disposal of subsidiary company - Dingo Blue settlement	-	-	(26.6)	-
Investment in associated and joint venture companies	(347.5)	-	(348.1)	(768.2)
Proceeds from liquidation/sale of associated and joint venture companies	88.6	-	90.0	-
Long term loans to associated and joint venture companies	(0.4)	(1.8)	(2.5)	(74.6)
Loans repaid by associated and joint venture companies	-	31.3	-	40.7
Investment in long term investments	(0.4)	(5.5)	(1.3)	(6.0)
Proceeds from sale of long term investments	149.2	192.8	205.8	242.2
Recovery of investment in non-current investment previously written off	-	-	-	9.8
Net (purchase)/sale of short term investments	(86.9)	12.1	(366.2)	207.6
Payment for purchase of property, plant and equipment	(419.2)	(378.3)	(976.3)	(1,319.1)
Proceeds from sale of property, plant and equipment	1.9	23.6	38.3	29.0
Payment for purchase of licences	(1.5)	(2.1)	(4.0)	(3.2)
Net cash outflow from investing activities	(608.0)	(133.9)	(787.2)	(1,627.5)
Cash Flows from Financing Activities				
Proceeds from term loans	649.5	1,080.7	2,590.9	2,771.3
Repayment of term loans	(156.0)	(1,963.3)	(2,439.4)	(3,464.7)
Proceeds from bond issue	-	-	300.0	-
Bonds repurchased	-	-	(485.0)	-
Premium paid on bonds repurchased	-	-	(16.5)	-
Settlement of bonds repurchased	(502.4)	-	-	-
Finance lease payments	-	(12.9)	(113.6)	(52.2)
Net interest paid on borrowings and swaps	(112.6)	(157.3)	(357.1)	(438.9)
Repayment of loan from minority shareholder	(0.3)	(8.9)	(6.6)	(8.9)
Dividends paid to minority shareholders	(0.2)	(5.4)	(0.2)	(5.4)
Proceeds from issue of shares	4.4	-	6.4	-
Dividends paid to shareholders	-	-	(764.8)	(764.7)
Net cash outflow from financing activities	(117.6)	(1,067.1)	(1,285.9)	(1,963.5)
Net increase/(decrease) in cash and cash equivalents	346.0	(302.4)	1,061.7	(1,000.3)
Cash and cash equivalents at beginning of period	1,665.1	1,031.0	949.4	1,728.9
Cash and cash equivalents at end of period	2,011.1	728.6	2,011.1	728.6

Notes to the consolidated cash flow statements

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise:

	As at	
	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil
Fixed deposits	1,776.8	452.2
Cash and bank balances	234.3	276.4
	<u>2,011.1</u>	<u>728.6</u>

Included in the cash and cash equivalents of the Group as at 31 December 2003 is S\$14.5 million (US\$8.5 million) pertaining to C2C Pte Ltd and its subsidiary companies ("C2C Group") which is subject to a fixed charge.

Note (1): Dividends from Singapore Post Limited

This represents the S\$200 million special dividend that was declared prior to 31 March 2003, when Singapore Post Limited ("SingPost") was a wholly owned subsidiary of SingTel.

Note (2): Proceeds from sale of Yellow Pages directory assets and businesses

During the nine months ended 31 December 2003, SingTel Interactive Pte Ltd (formerly known as Singapore Yellow Pages Pte Ltd), a wholly owned subsidiary of SingTel, sold its directory assets and businesses. With this sale, SingTel Interactive Pte Ltd is now a dormant company.

Fair values of identifiable net assets of the directory assets and businesses sold were:

	S\$ mil
Non-current assets	
Property, plant and equipment	33.6
Other non-current assets	2.8
Current assets	37.2
Current liabilities	<u>(11.0)</u>
	62.6
Gain on sale	<u>160.1</u>
Total cash inflow on sale	<u>222.7</u>

Notes to the consolidated cash flow statements (continued)**Note (3): Payment for purchase of subsidiary company**

In the corresponding quarter and nine months ended 31 December 2002, a wholly owned subsidiary company, NCS Pte. Ltd. (formerly known as National Computer Systems Private Limited), acquired 51% equity interest in IPACS Computer Services (S) Pte. Ltd. and its subsidiary companies.

Fair values of identifiable net assets of subsidiary companies acquired were:

	S\$ mil
Non-current assets	
Property, plant and equipment	1.9
Other non-current assets	0.5
Cash, net of bank overdraft	11.3
Current assets (excluding cash)	35.8
Current liabilities (excluding bank overdraft)	(28.4)
Non-current liabilities	(0.2)
	<u>20.9</u>
Minority interest	(10.2)
	<u>10.7</u>
Goodwill	14.7
	<u>25.4</u>
Total consideration	25.4
Less: cash and cash equivalents in subsidiary companies acquired	(11.3)
	<u>14.1</u>
Outflow of cash	14.1

In the nine months ended 31 December 2003, NCS Pte. Ltd. paid an additional S\$6.1 million as purchase consideration adjustment for the acquisition of 51% equity interest in IPACS Computer Services (S) Pte. Ltd. and its subsidiary companies, in accordance with the terms and conditions in the sale and purchase agreement.

Notes to the consolidated cash flow statements (continued)**Note (4): Divestment of subsidiary company**

Fair values of identifiable net assets of SingPost divested (as of 1 April 2003 adjusted for bond issue of S\$300 million raised on 11 April 2003) were:

	S\$ mil
Non-current assets	
Property, plant and equipment	580.7
Other non-current assets	95.9
Cash	412.3
Current assets (excluding cash)	33.3
Current liabilities	(356.5)
Non-current liabilities	<u>(450.3)</u>
	315.4
Minority interest	<u>(2.5)</u>
	312.9
Percentage of interest divested	<u>69%</u>
Net assets divested	215.9
Gain on divestment	<u>545.2</u>
Gross proceeds	761.1
Less: cash and cash equivalents in subsidiary company divested	<u>(412.3)</u>
Net cash inflow on divestment	<u>348.8</u>

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

1 Other income

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Rental income	2.8	6.0	9.3	20.8
Bad trade debts recovered	0.5	2.3	5.7	3.4
Net exchange (loss)/gain - trade related	(1.3)	(2.0)	5.4	(10.6)
Net (loss)/gain on disposal of property, plant and equipment	(3.5)	0.6	(4.7)	(8.2)
Property, plant and equipment written off	-	-	(0.1)	-
Others	4.2	15.0	24.8	39.1
	<u>2.7</u>	<u>21.9</u>	<u>40.4</u>	<u>44.5</u>

2 Depreciation and other amortisation

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Depreciation of property, plant and equipment	463.5	436.7	1,333.3	1,266.1
Amortisation of intangibles	6.6	13.5	29.1	35.3
Amortisation of sale and leaseback income	(6.0)	(5.3)	(17.6)	(15.4)
Other amortisation	5.1	1.3	15.2	3.7
	<u>469.2</u>	<u>446.2</u>	<u>1,360.0</u>	<u>1,289.7</u>

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

3 Exceptional items

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
<u>Exceptional gains</u>				
Gain on divestment of subsidiary company	-	-	545.2	-
Gain on sale of non-current investments	186.2	6.1	189.5	13.0
Gain on sale of Yellow Pages directory assets and businesses	-	-	160.1	-
Recovery of investment in non-current investments previously written off	-	-	1.4	11.0
Writeback of provision for diminution in value of non-current investments	-	48.3	-	-
Gain on disposal of business units	-	-	-	2.8
	186.2	54.4	896.2	26.8
<u>Exceptional losses</u>				
Settlement of Dingo Blue legal suit	-	-	(26.6)	-
Provision for diminution in value of non-current investments	-	(10.4)	(2.3)	(11.9)
Write off of non-current investments	-	(45.0)	-	(45.0)
Loss on sale of non-current investments	-	(21.7)	-	(23.9)
Provision for international settlement differences	-	-	-	(43.9)
Loss on deemed disposal of non-current investment	-	(3.1)	-	(3.1)
	-	(80.2)	(28.9)	(127.8)
	186.2	(25.8)	867.3	(101.0)

Non-current investments referred to above comprise investments in associated and joint venture companies and long term investments.

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

4 Exceptional items - associated and joint venture companies

Group	Quarter		Nine months	
	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil

Share of exceptional results (pre-tax) comprise:

Exceptional gains

Refund of notional interest on licence fee	-	-	8.2	-
Gain on disposal of subsidiary company and associated company	-	-	-	250.0
Volume rebates and writeback of provisions made in prior years	-	4.9	-	19.8
Others	0.8	-	1.6	-
	0.8	4.9	9.8	269.8

Exceptional losses

Additional pension charge on transfer of pension liability to Government	(248.8)	-	(248.8)	-
Impairment charge of property, plant and equipment	(5.8)	-	(28.1)	(24.0)
Effects of Punjab licence expensed	-	-	(23.0)	-
Provision for non-current investment	-	-	(13.0)	-
Network migration costs	-	-	-	(3.6)
Others	(8.1)	-	(1.5)	(7.8)
	(262.7)	-	(314.4)	(35.4)
	(261.9)	4.9	(304.6)	234.4

5 Interest and investment income

Group	Quarter		Nine months	
	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil	31 Dec 2003 S\$ mil	31 Dec 2002 S\$ mil

Interest income from				
- associated and joint venture companies	0.7	0.9	14.4	2.8
- fixed deposits, current accounts and bonds	7.9	3.2	14.1	13.4
- others	1.3	1.1	2.3	4.2
	9.9	5.2	30.8	20.4
Amortisation of discount on bonds	0.1	0.1	-	0.2
Gross dividends from				
- quoted equity investments	1.4	1.6	10.6	5.4
- unquoted equity investments	-	-	0.1	0.1
- other quoted investments	-	-	-	0.4
Net loss on sale of short term investments	(4.4)	(4.6)	(15.8)	(3.6)
Writeback of provision/(provision) for diminution in value of short term investments	2.9	9.0	22.8	(41.6)
Related net exchange gain	237.2	8.2	251.5	31.4
Others	(0.1)	1.5	0.1	1.6
	247.0	21.0	300.1	14.3

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

6 Interest on borrowings

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Interest expense incurred on				
- bonds	136.8	130.8	402.9	395.0
- bank loans	11.4	22.7	32.3	76.9
- finance lease	3.5	4.8	11.3	14.1
- loan from a minority shareholder	1.3	1.3	4.0	3.7
- interest rate hedging contracts	(34.8)	(30.9)	(96.8)	(85.5)
- others	2.8	9.1	11.1	21.0
Premium on bond buy back	-	-	16.5	-
Amortisation of bonds and related costs	1.8	3.1	5.3	5.0
	122.8	140.9	386.6	430.2
Less: amounts capitalised in the balance sheet	(4.8)	(7.9)	(19.8)	(22.0)
Less: waiver of interest	-	-	(10.3)	-
	118.0	133.0	356.5	408.2

7 Taxation

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Tax expense attributable to current period's profits				
Current and deferred	151.2	78.5	437.8	371.2
Adjustments in respect of prior year				
Current and deferred				
- change in tax rate ⁽¹⁾	-	-	-	(122.9)
- others	-	33.0	(2.0)	6.0
Share of taxes of associated and joint venture companies				
- ordinary activities	141.4	72.5	324.7	203.3
- exceptional items	(91.8)	22.9	(97.3)	21.0
Tax expense for the period	200.8	206.9	663.2	478.6

Note (1)

The Group's tax expense for the nine months ended 31 December 2002 includes an adjustment of S\$122.9 million arising from the reduction in the Singapore corporate tax rate from 24.5% to 22.0% which was announced by the Singapore Government on 3 May 2002.

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

8 Other income statement items

Group	Quarter		Nine months	
	31 Dec	31 Dec	31 Dec	31 Dec
	2003	2002	2003	2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Provision for doubtful debts				
- trade debtors	38.3	54.4	111.4	113.9
- non-trade debtors	-	0.2	-	0.2
Provision for inventory obsolescence	1.2	3.1	1.4	10.3
Inventory written off	0.7	0.1	1.0	0.1
Bad trade debts written off	0.1	0.1	0.3	0.2

9 Earnings per share

Group	Quarter		Nine months	
	31 Dec	31 Dec	31 Dec	31 Dec
	2003	2002	2003	2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Group's net profit	853.6	296.0	2,523.8	1,087.9
Adjustments for				
Amortisation of goodwill on acquisition of				
- subsidiary companies	141.5	143.5	424.3	428.7
- associated and joint venture companies	23.0	21.8	65.6	55.4
Exceptional items	(186.2)	25.8	(867.3)	101.0
Minority interest on exceptional items	5.2	-	5.2	-
Exceptional tax credit due to change in tax rate	-	-	-	(122.9)
Group's net profit (pre-goodwill and exceptional items)	837.1	487.1	2,151.6	1,550.1

Group	Quarter		Nine months	
	31 Dec	31 Dec	31 Dec	31 Dec
	2003	2002	2003	2002
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue for calculation of basic earnings per share	17,828,444	17,825,827	17,826,933	17,825,827
Adjustment for assumed conversion of shares options	21,525	-	7,822	515
Weighted average number of ordinary shares for calculation of diluted earnings per share	17,849,969	17,825,827	17,834,755	17,826,342

No adjustment is made to earnings for the purpose of calculation of fully diluted EPS.

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

10 Earnings before interest, tax, depreciation and amortisation ("EBITDA")

Group	Quarter		Nine months	
	31 Dec 2003	31 Dec 2002	31 Dec 2003	31 Dec 2002
	S\$ mil	S\$ mil	S\$ mil	S\$ mil
EBITDA is defined as:				
Profit before tax	1,035.6	483.7	3,149.4	1,532.3
Adjustments for				
Amortisation of goodwill on acquisition of				
- subsidiary companies	141.5	143.5	424.3	428.7
- associated and joint venture companies	23.0	21.8	65.6	55.4
Depreciation and other amortisation	469.2	446.2	1,360.0	1,289.7
Exceptional items	(186.2)	25.8	(867.3)	101.0
Interest and investment income	(247.0)	(21.0)	(300.1)	(14.3)
Interest on borrowings	118.0	133.0	356.5	408.2
EBITDA	1,354.1	1,233.0	4,188.4	3,801.0

11 Group's borrowings and debt securities

Group	As at	
	31 Dec 2003	31 Mar 2003
	S\$ mil	S\$ mil
<u>Unsecured borrowings</u>		
Repayable within one year	102.5	427.9
Repayable after one year	8,964.2	8,946.1
	9,066.7	9,374.0
<u>Secured borrowings</u>		
Repayable within one year, or on demand	1,077.6	340.3
Repayable after one year	126.5	958.1
	1,204.1	1,298.4
	10,270.8	10,672.4

Group	As at	
	31 Dec 2003	31 Mar 2003
	S\$ mil	S\$ mil
Secured borrowings comprise:		
Finance lease liabilities	184.9	253.7
Bank loans	1,019.2	1,044.7
	1,204.1	1,298.4

The finance lease liabilities are secured by guarantees from certain subsidiary companies and by mortgages granted over a subsidiary company's satellites, related assets and service contracts. The net book value of property, plant and equipment under finance lease as at 31 December 2003 is S\$250.6 million (31 March 2003: S\$163.5 million).

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003****11 Group's borrowings and debt securities (continued)**

The bank loans are secured on the following:

- (i) all shares in C2C Pte Ltd;
- (ii) all assets of C2C Pte Ltd and its subsidiary companies ("C2C Group") which amount to S\$2.16 billion or US\$1.27 billion as at 31 December 2003 (31 March 2003: S\$2.46 billion or US\$1.39 billion).

All sales and purchases and other agreements entered into by the C2C Group are also assigned or charged to the syndicate of bankers.

Please refer to Appendix 3 of the Management Discussion & Analysis of the Group for the third quarter and nine months ended 31 December 2003 for more information in respect of C2C Group.

12 Share capital, share options and performance sharesIssue of new shares

In the current quarter ended 31 December 2003, the Company issued 2,789,900 ordinary shares of S\$0.15 each upon the exercise of 2,789,900 share options at the exercise price of between S\$1.36 and S\$1.69 per share.

Outstanding share options

The number of share options under the Singapore Telecom Executives' Share Option Scheme and Singapore Telecom Share Option Scheme 1999 as at 31 December 2003 was nil (31 December 2002: 3,188,331) and 228,497,100 (31 December 2002: 253,028,850) respectively.

The number of share options under the Optus Executive Option Plan as at 31 December 2003 was 4,264,850 (31 December 2002: 5,108,300). Under the Optus Executive Option Plan, on the exercise of these options, SingTel Optus Pty Limited ("SingTel Optus") will discharge its obligations by procuring the issue to the SingTel Optus option holder of ordinary shares in the Company in the ratio of 1.66 SingTel shares per share option.

The total number of shares that may be issued on conversion of all the outstanding share options as at 31 December 2003 was 235,576,751 shares (31 December 2002: 264,696,959).

Performance Shares

As at 31 December 2003, 37,347,620 performance shares to employees of the Group were outstanding under the Executives' Performance Share Plan. The vesting of these shares is conditional on performance targets set based on medium-term corporate objectives. At the end of the performance period, which is currently prescribed to be a three-year period, the final number of performance shares awarded will depend on the level of achievement of those targets. Existing ordinary shares shall be purchased for delivery to the participants.

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

13 Net asset value

	Group		Company	
	As at		As at	
	31 Dec 2003	31 Mar 2003	31 Dec 2003	31 Mar 2003
	SGD (cents)	SGD (cents)	SGD (cents)	SGD (cents)
Net asset value per ordinary share	100.40	86.78	88.81	83.72

14 Dividends

In the nine months ended 31 December 2003, a final dividend of 5.5 cents per share, less tax at 22% of S\$764.8 million was paid in respect of the financial year ended 31 March 2003.

The directors do not propose the payment of any interim dividend for the current period. No interim dividend was proposed for the same period last year.

15 The figures presented in this announcement have not been reviewed or audited.

16 The same accounting policies and methods of computation as in the Group's most recently audited financial statements for the financial year ended 31 March 2003 have been applied.

In compliance with the Companies Act (Accounting Standards) Regulation 2002 which were issued by the Ministry of Finance on 18 December 2002, the Group and Company prepare their financial statements in accordance with Financial Reporting Standards ("FRS") with effect from 1 April 2003.

The adoption of FRS does not have a material impact on the financial statements of the Group and Company.

17 Review of performance of the Group

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2003.

18 Where a forecast, or a prospect statement has been previously disclosed to shareholders, any variance between it and the actual results

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2003.

**ADDITIONAL NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

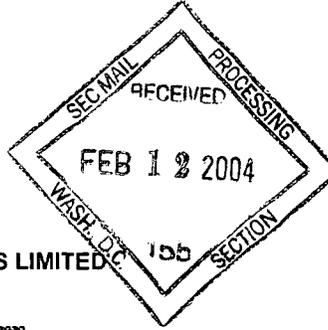
- 19 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months**

Please refer to the Management Discussion and Analysis of the Group for the third quarter and nine months ended 31 December 2003.

- 20 Comparative figures**

Certain comparative figures have been reclassified to conform to current period's presentation.

SEC File No: 82-3622



SINGAPORE TELECOMMUNICATIONS LIMITED

**ANNOUNCEMENT - FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003
- MANAGEMENT DISCUSSION AND ANALYSIS OF UNAUDITED FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Attached is the Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the third quarter and nine months ended 31 December 2003 for Singapore Telecommunications Limited and its subsidiary companies.



MDA.pdf

Submitted by Chan Su Shan (Ms), Company Secretary on 05/02/2004 to the SGX



**Singapore Telecommunications Limited
And Subsidiary Companies**

**MANAGEMENT DISCUSSION AND ANALYSIS OF
UNAUDITED FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR
THE THIRD QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2003**

Singapore Telecommunications Ltd And Subsidiary Companies

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SECTION I : GROUP

**FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003**

- Net profit after tax increased 188% to S\$854 million.
- Operating revenue increased by 16%. Excluding postal and directory advertising revenues, operating revenue increased by a stronger 21%.
- Optus recorded a net profit of S\$156 million, compared to a net profit of S\$22 million in the corresponding quarter last year.
- Share of ordinary results of associates doubled to S\$424 million. However, net contribution was down 22% attributable to one-off exceptional charges arising from the transfer of Belgacom's pension liability to the Belgian State.
- Net finance income of S\$129 million due to higher exchange gains compared to S\$112 million of net finance expense in the corresponding quarter last year.
- An exceptional gain of S\$186 million was realised from the sale of long term investments.
- Strong free cash flow¹ of S\$652 million, with S\$355 million from SingTel and S\$297 million (A\$210 million) from Optus.

FOR THE NINE MONTHS ENDED 31 DECEMBER 2003

- Net profit after tax more than doubled to a record S\$2.52 billion after including divestment gains of SingPost and Yellow Pages.
- Excluding postal and directory advertising revenues, operating revenue increased by 22%.
- Operational EBITDA up 14%.
- Free cash flow grew strongly to S\$2.16 billion.

¹ Free cash flow refers to cash flow from operating activities less cash capex.

SECTION I: GROUP

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
Operating revenue	3,021	2,606	15.9	8,831	7,530	17.3
- excluding postal and directory advertising ⁽¹⁾	3,021	2,498	21.0	8,814	7,214	22.2
Operational EBITDA	1,107	941	17.7	3,181	2,791	14.0
Operational EBITDA margin	36.6%	36.1%		36.0%	37.1%	
- excluding C1 Defence contract	36.6%	36.2%		36.8%	37.1%	
Share of associates' earnings	163	208	-21.8	755	757	-0.3
- ordinary operations	424	203	109.2	1,059	523	102.7
- exceptional items	(262)	5	nm	(305)	234	nm
EBITDA	1,354	1,233	9.8	4,188	3,801	10.2
Exceptional gains/ (losses)	186	(26)	nm	867	(101)	nm
Net profit	854	296	188.4	2,524	1,088	132.0
Net profit (before goodwill)	1,018	461	120.7	3,014	1,572	91.7
Net profit (before goodwill and exceptionals)	837	487	71.9	2,152	1,550	38.8
Earnings per share (cents)						
- before goodwill	5.71	2.59	120.5	16.91	8.82	91.7
- before goodwill and exceptionals	4.70	2.73	72.2	12.07	8.70	38.7
Basic earnings per share (cents)	4.79	1.66	188.6	14.16	6.10	132.1

	As at		
	31 Dec 2003	30 Sep 2003	31 Mar 2003
Total assets	35,033	33,912	33,671
Shareholders' funds	17,901	16,870	15,470
Net debt ⁽²⁾	8,493	8,076	9,563
Net debt gearing ratio ⁽³⁾	32.0%	32.2%	38.0%
Net debt to EBITDA	1.5X	1.4X	1.9X
Interest cover:			
- EBITDA/ net interest expense ⁽⁴⁾	13.6X	14.1X	10.1X

Notes:

- (1) Exclude postal and directory advertising services for current and prior periods. For statutory reporting purposes, postal services ceased to be recorded with effect from 1 April 2003, and directory advertising services ceased to be recorded from 1 July 2003.
- (2) Net debt is defined as gross debt less cash and bank balances adjusted for related hedged balances.
- (3) Net debt gearing is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
- (4) Net interest refers to interest expense less interest income.

SECTION I: GROUP

GROUP SUMMARY INCOME STATEMENTS (UNAUDITED)
For The Third Quarter And Nine Months Ended 31 December 2003

	Quarter				YOY Chge %	Nine Months		YOY Chge %
	31 Dec					31 Dec		
	2003 SingTel S\$ m	2003 Optus S\$ m	2003 Group S\$ m	2002 Group S\$ m		2003 Group S\$ m	2002 Group S\$ m	
Operating revenue	973	2,048	3,021	2,606	15.9	8,831	7,530	17.3
Operating expenses	(470)	(1,447)	(1,917)	(1,687)	13.6	(5,690)	(4,783)	19.0
	503	601	1,105	919	20.2	3,141	2,747	14.3
Other income	2	1	3	22	-87.7	40	45	-9.2
Operational EBITDA	505	602	1,107	941	17.7	3,181	2,791	14.0
<i>EBITDA margin</i>	<i>51.9%</i>	<i>29.4%</i>	<i>36.6%</i>	<i>36.1%</i>		<i>36.0%</i>	<i>37.1%</i>	
<i>EBITDA margin (ex-C1)</i>	<i>51.9%</i>	<i>29.4%</i>	<i>36.6%</i>	<i>36.2%</i>		<i>36.8%</i>	<i>37.1%</i>	
Compensation from IDA	84	-	84	84	-	253	253	-
Share of results of associates								
- ordinary operations	429	(5)	424	203	109.2	1,059	523	102.7
- exceptional items	(262)	-	(262)	5	nm	(305)	234	nm
	168	(5)	163	208	-21.8	755	757	-0.3
EBITDA	757	597	1,354	1,233	9.8	4,188	3,801	10.2
Amortisation of goodwill	(164)	(1)	(165)	(165)	-0.5	(490)	(484)	1.2
Depreciation & other amortisation	(162)	(307)	(469)	(446)	5.2	(1,360)	(1,290)	5.5
EBIT	431	289	720	622	15.9	2,339	2,027	15.4
Net finance income/(expense)								
- net interest expense	(60)	(49)	(108)	(128)	-15.4	(309)	(388)	-20.3
- intercompany interest	17	(17)	-	-	-	-	-	-
- other finance income/(loss)	237	*	237	16	@	253	(6)	nm
	195	(66)	129	(112)	nm	(56)	(394)	-85.7
Profit before B	626	223	849	510	66.7	2,282	1,633	39.7
Exceptional items ("E")	186	-	186	(26)	nm	867	(101)	nm
Profit before tax	812	223	1,036	484	114.1	3,149	1,532	105.5
Tax (expense)/ credit								
- ordinary operations	(133)	(68)	(201)	(207)	-2.9	(663)	(602)	10.3
- exceptional tax credit	-	-	-	-	-	-	123	nm
	(133)	(68)	(201)	(207)	-2.9	(663)	(479)	38.6
Profit after tax	679	156	835	277	201.6	2,486	1,054	135.9
Minority interests	19	-	19	19	-2.1	38	34	9.9
Net profit	698	156	854	296	188.4	2,524	1,088	132.0
Net profit	698	156	854	296	188.4	2,524	1,088	132.0
<i>Exclude:</i>								
Amortisation of goodwill	164	1	165	165	-0.5	490	484	1.2
Exceptional items	(186)	-	(186)	26	nm	(867)	101	nm
Exceptional tax credit	-	-	-	-	-	-	(123)	nm
Minority interest on B ⁽²⁾	5	-	5	-	nm	5	-	nm
Adjusted net profit	681	156	837	487	71.9	2,152	1,550	38.8

@ denotes more than 500%

Note:

(1) Numbers in all tables may not exactly add due to rounding.

(2) This relates to the exceptional gains on disposal of equity interest in ADSB Group attributable to the minority shareholders.

SECTION I: GROUP

DISPOSAL OF ASSETS

Singapore Post ("SingPost"), a wholly owned subsidiary of SingTel as at 31 March 2003, was equity accounted for as an associate with effect from 1 April 2003 following the reduction of SingTel's equity interest to 31% after the initial public offering of SingPost's shares. As at 30 June 2003, SingTel Yellow Pages Pte Ltd (now renamed "SingTel Interactive Pte Ltd"), a wholly owned subsidiary of SingTel, had sold its directory assets and businesses. With this sale, SingTel Interactive Pte Ltd is now a dormant company.

REVIEW OF GROUP OPERATING PERFORMANCE

The Group's operating revenue for the quarter rose 16% to S\$3.02 billion. Excluding postal and directory services revenues, operating revenue increased by a stronger 21%.

Optus' revenue recorded an impressive increase of 43% in Singapore Dollar terms (14% in Australian Dollar terms). This was offset by a 8.4% decline in SingTel's underlying operating revenue mainly due to weakness in IT and Engineering services and International Telephone revenues.

The Group's operational EBITDA increased by 18% to S\$1.11 billion. The operational EBITDA margin in this quarter was higher at 36.6% (3Q FY2002/03: 36.1%) with the operations in both Singapore and Australia reporting better margins.

The Group's share of ordinary results of associates more than doubled to S\$424 million, boosted by improved operational performance of its associates and an additional quarter of contribution from Belgacom of S\$82 million following an alignment of Belgacom's financial period for consolidation purposes (see details in Section IV – page 50). The share of exceptional losses of associates of S\$262 million in the quarter arose mainly from a pension charge recorded by Belgacom when it transferred the pension liability of its statutory employees to the Belgian State (see details in Section IV – page 51). Consequently, overall net contributions from associates fell 22% to S\$163 million.

Group EBITDA grew 9.8% to S\$1.35 billion, with Optus accounting for 44% of Group EBITDA compared to 30% a year ago.

Net finance income amounted to S\$129 million compared to a net finance expense of S\$112 million. In this quarter, the Group recorded S\$223 million exchange gains in the income statement from Australian Dollar denominated inter-company loans given to Optus, following a re-designation of these loans as short term loans. In the prior periods, the exchange gains from the loans were taken to reserves (see details in Section II – page 26).

The Group's attributable profit after tax increased 188% to S\$854 million.

On a proportionate basis, operations outside Singapore accounted for 77% of the Group's enlarged revenue and 68% of the enlarged EBITDA during the quarter.

For the current quarter, free cash flow totalled S\$652 million, with S\$355 million from SingTel and S\$297 million (A\$210 million) from Optus.

SECTION I: GROUP

GROUP OPERATING REVENUE

By Product/ Service	Quarter					YOY Chge %	Nine Months		YOY Chge %
	31 Dec				YOY Chge %		31 Dec		
	2003	2003	2003	2002			2003	2002	
	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m			Group S\$ m	Group S\$ m	
Mobile communications	207	990	1,197	880	36.0	3,280	2,520	30.2	
National telephone	140	514	654	504	29.9	1,845	1,426	29.4	
Data and Internet	279	243	522	473	10.2	1,504	1,430	5.2	
International telephone	180	87	267	265	0.8	802	885	-9.3	
IT and engineering services	113	36	148	178	-16.6	443	436	1.4	
C1 Defence contract	-	-	-	-	nm	290	-	nm	
Sale of equipment	21	126	147	104	41.7	390	225	73.0	
Cable television	-	45	45	35	28.4	130	110	18.4	
Paging & aeronautical	20	-	20	26	-23.0	64	86	-25.1	
Others ⁽¹⁾	13	9	22	33	-34.7	68	97	-30.6	
	973	2,048	3,021	2,498	21.0	8,814	7,214	22.2	
Directory advertising	-	-	-	16	nm	17	52	-67.4	
Postal services	-	-	-	92	nm	-	264	nm	
	973	2,048	3,021	2,606	15.9	8,831	7,530	17.3	
Operating revenue			3,021	2,606	15.9	8,831	7,530	17.3	
Associates' proportionate revenue ⁽²⁾			1,492	921	62.1	3,599	2,595	38.7	
Enlarged revenue			4,513	3,527	28.0	12,430	10,125	22.8	

* denotes less than S\$500,000

Notes:

- (1) Comprises revenue from lease of satellite transponders (excludes C1 Defence Contract) and miscellaneous income.
(2) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by SingTel's effective ownership interest.

Revenue Mix By Services	Quarter		Nine Months	
	31 Dec		31 Dec	
	2003	2002	2003	2002
	Mix	Mix	Mix	Mix
Mobile communications	40%	34%	37%	33%
National telephone	22%	19%	21%	19%
Data and Internet	17%	18%	17%	19%
International telephone	9%	10%	9%	12%
IT and engineering services	5%	7%	5%	6%
Others	8%	12%	11%	11%
	100%	100%	100%	100%

Revenue from Australia accounted for 68% of the Group's total operating revenue in Singapore Dollar terms, compared to 55% a year ago due to a strengthening Australian Dollar and strong revenue growth of 14% by Optus.

Mobile communications revenue continued to be the top revenue stream, contributing 40% of Group operating revenue from 34% a year ago. IT and Engineering services revenue declined 17% during the quarter and recorded a two percentage points decrease in revenue contribution.

SECTION I: GROUP

Including the proportionate share of operating revenue from associates, the Group's enlarged revenue increased 28% to S\$4.51 billion, reflecting sustained strong performance at the major associates.

With the weakness in the Singapore business (and particularly IT and engineering services) during the second and third quarters, SingTel expects the operating revenue for the financial year ending 31 March 2004 (excluding SingPost and Yellow Pages) to decline compared to the last financial year. However, the Group expects consolidated revenue to continue to grow.

GROUP OPERATING EXPENSES
(Before Depreciation And Amortisation)

	Quarter				YOY Chge %	Nine Months		YOY Chge %
	31 Dec					31 Dec		
	2003	2003	2003	2002		2003	2002	
	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m		Group S\$ m	Group S\$ m	
Selling & administrative	116	467	583	491	18.7	1,636	1,407	16.3
Traffic expenses	119	456	575	496	16.0	1,590	1,453	9.4
Staff costs	141	237	378	338	11.7	1,102	986	11.8
Cost of sales	75	258	333	307	8.6	1,192	762	56.4
Repairs & maintenance	27	42	70	54	28.7	210	192	9.3
Others	(8)	(14)	(22)	2	nm	(39)	(18)	125.1
Total	470	1,447	1,917	1,687	13.6	5,690	4,783	19.0

As a percentage of operating revenue	Quarter		Nine Months	
	31 Dec		31 Dec	
	2003	2002	2003	2002
Selling & administrative	19%	19%	19%	19%
Traffic expenses	19%	19%	18%	19%
Staff costs	12%	13%	12%	13%
Cost of sales	11%	12%	14%	10%
Repairs & maintenance	2%	2%	2%	3%
Others	-1%	*	*	*
	63%	65%	64%	64%

* denotes less than +/- 0.5%

Operating expenses as a percentage of revenue decreased from 65% to 63% during the quarter.

SingTel's operating expenses declined 21%. Optus' operating expenses increased 33% in Singapore Dollar terms (5.9% in Australian Dollar terms) mainly due to higher Selling & Administrative expenses and Traffic expenses.

Selling & Administrative expenses increased 19% and is the Group's largest expense item, accounting for 19.3% of total operating revenue. The increase was mainly due to higher customer acquisition volumes in Australia reflected in Optus' revenue growth. Traffic expenses accounted for 19% of total operating revenue and about 68% of the S\$575 million in Traffic expenses for the third quarter were for interconnection in Australia.

SECTION I: GROUP

GROUP SUMMARY BALANCE SHEETS

	As at		
	31 Dec	30 Sep	31 Mar
	2003	2003	2003
	S\$ m	S\$ m	S\$ m
Current assets (excluding cash)	3,069	2,845	2,618
Cash and bank balances	2,011	1,665	949
Non-current assets	29,953	29,402	30,103
Total assets	35,033	33,912	33,671
Current liabilities	4,695	5,158 ^a	4,719
Non-current liabilities	12,324	11,759	13,332
Total liabilities	17,020	16,917	18,052
Net assets	18,013	16,995	15,619
Share capital	2,675	2,674	2,674
Reserves	15,226	14,196	12,796
Share capital and reserves	17,901	16,870	15,470
Minority interests	113	125	149
	18,013	16,995	15,619

GROUP LIQUIDITY AND GEARING

	As at		
	31 Dec	30 Sep	31 Mar
	2003	2003	2003
	S\$ m	S\$ m	S\$ m
Gross debt:			
Current debt	1,180	1,146	768
Non-current debt	9,091	8,536	9,904
Gross debt as reported in balance sheet	10,271	9,681	10,672
Related net hedging liability/(asset) balance	233	60	(160)
	10,504	9,741	10,512
Less: cash and bank balances	(2,011)	(1,665)	(949)
Net debt	8,493	8,076	9,563
Gross debt gearing ratio⁽¹⁾	36.8%	36.4%	40.2%
Net debt gearing ratio	32.0%	32.2%	38.0%

Note:

(1) Gross debt gearing refers to the ratio of gross debt to gross capitalisation. Gross capitalisation is the aggregate of gross debt, shareholders' funds and minority interests.

The Group's gross debt as at 31 December 2003 amounted to S\$10.27 billion, S\$590 million higher than a quarter ago. The increase arose from additional bank borrowings of S\$494 million (A\$429 million) incurred by Optus to repay existing inter-company debts (see additional information in Section II- page 26). The balance movement was due to exchange differences arising from foreign denominated debts as at 31 December 2003.

Net debt increased by S\$417 million to S\$8.49 billion after the payments of S\$502 million for settlement of SingTel's debt buyback and S\$348 million for investments in associates. The net debt gearing ratio decreased by 0.2 percentage point to 32.0% from 32.2% a quarter ago.

SECTION I: GROUP

GROUP CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002 ⁽¹⁾	2003	2003	2002 ⁽¹⁾	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow/(outflow) from operating activities						
Profit before tax	1,036	484	699	3,149	1,532	105.5
Depreciation	464	437	439	1,333	1,266	5.3
Amortisation of goodwill	165	165	163	490	484	1.2
Compensation from IDA	(84)	(84)	(84)	(253)	(253)	-
Share of results of associates	(163)	(208)	(301)	(755)	(757)	-0.3
Exceptional items	(186)	26	22	(867)	101	nm
Net finance (income)/expense	(129)	112	93	56	394	-85.7
Other non-cash items	11	9	13	35	30	15.9
Non-cash items	77	457	344	40	1,266	-96.8
Operating cashflow before working capital changes	1,112	940	1,043	3,189	2,798	14.0
Changes in operating assets and liabilities	(9)	(32)	(95)	(220)	(53)	314.5
	1,103	908	948	2,969	2,745	8.2
Dividends received from associates	113	170	281	528	270	95.4
Tax paid	(144)	(180)	(200)	(362)	(424)	-14.6
	1,072	899	1,029	3,135	2,591	21.0
Net cash (outflow)/ inflow from investing activities						
Payment for purchases of property, plant and equipment	(419)	(378)	(267)	(976)	(1,319)	-26.0
Investment in associates	(348)	-	-	(348)	(768)	-54.7
Net (purchase)/sale of short term investments	(87)	12	(274)	(366)	208	nm
Proceeds from disposal of long term investments	149	193	-	206	242	-15.0
Proceeds from disposal of SingPost, net of cash disposed	-	-	-	349	-	nm
Proceeds from disposal of directory business and assets	-	-	7	223	-	nm
Settlement of Dingo Blue legal suit	-	-	(27)	(27)	-	nm
Others (proceeds on disposal of associates, plant & equip etc)	96	40	44	153	10	@
	(608)	(134)	(517)	(787)	(1,628)	-51.6
Net cash (outflow)/ inflow from financing activities						
Net increase/ (decrease) in borrowings	494	(896)	(794)	(147)	(746)	-80.3
(Payment)/ Balance due for bond buyback	(502)	-	502	-	-	-
Premium on bond buyback	-	-	(17)	(17)	-	nm
Net interest paid on borrowings and swaps	(113)	(157)	(97)	(357)	(439)	-18.6
Dividends paid to SingTel shareholders	-	-	(765)	(765)	(765)	-
Others (share issue, loans from MI repaid)	4	(14)	2	*	(14)	nm
	(118)	(1,067)	(1,169)	(1,286)	(1,964)	-34.5
Net increase/ (decrease) in cash & cash equivalents	346	(302)	(656)	1,062	(1,000)	nm
Group cash and cash equivalents at beginning	1,665	1,031	2,321	949	1,729	-45.1
Group cash and cash equivalents at end	2,011	729	1,665	2,011	729	176.0
Free cash flow ⁽²⁾	652	521	763	2,159	1,272	69.7
Capital expenditure (accrual basis)						
SingTel	105	309	85	244	432	-43.5
Optus	345	276	188	651	537	21.2
Group	451	585	273	895	969	-7.7
Cash capex to operating revenue	14%	15%	9%	11%	18%	

* denotes less than +/- S\$500,000

@ denotes more than 500%

SECTION I: GROUP

Notes:

- (1) Certain December 2002 numbers have been reclassified.
- (2) Free cashflow refers to cashflow from operating activities less cash capex.

For the quarter ended 31 December 2003, cash flow from operations (before dividends and tax) amounted to S\$1.10 billion, 21% higher than a year ago. Dividends received from associates totalled S\$113 million. After taxes paid of S\$144 million, the operating cash flow amounted to S\$1.07 billion.

Net cash outflow in investing activities of S\$608 million was accounted mainly by S\$419 million incurred for capital expenditure and S\$348 million on investments in associates (mainly Globe Telecom), partially offset by proceeds of S\$149 million from the disposal of certain long term investments.

Net cash outflow in financing activities of S\$118 million arose mainly from cash settlement of S\$502 million (including premium) made in October 2003 relating to SingTel's bond buyback announced in the preceding quarter and S\$113 million payment for interest partially offset by S\$494 million cash inflow from increased debt borrowing by Optus.

Ending cash and cash balances stood at S\$2.01 billion, with strong free cash flow generation of S\$652 million for the quarter.

Please refer to Sections II and III for more information on cash flow.

SINGTEL

MANAGEMENT DISCUSSION AND ANALYSIS OF UNAUDITED RESULTS OF OPERATIONS

FINANCIAL HIGHLIGHTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003

- Operational EBITDA margin up at 51.9% compared to 50.1% a year ago despite a 8.4% decline in underlying operating revenue.
- Earnings from associates, excluding exceptionals, up 123% to S\$429 million. Earnings this quarter included recognition of an additional quarter of pre-tax profits of S\$82 million from Belgacom.
- EBITDA fell 13% to S\$757 million. Excluding associates' exceptional loss, EBITDA increased 18%.
- Net finance income of S\$195 million due to significant exchange gains recorded.
- Free cash flow of S\$355 million.

FOR THE NINE MONTHS ENDED 31 DECEMBER 2003

- Excluding postal and directory advertising revenues, operating revenue declined 7.1%.
- EBITDA fell 10% to S\$2.56 billion. Excluding associates' exceptional loss, EBITDA increased 9.2%.
- Net profit after tax of S\$2.15 billion included exceptional gains of S\$894 million arising mainly from divestment of postal and directory advertising businesses.
- Free cash flow of S\$1.30 billion.

SECTION II: SINGTEL

	Quarter			Nine Months		YOY Chge %
	31 Dec		YOY Chge %	31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
Operating revenue	973	1,171	-16.9	3,021	3,551	-14.9
- excluding postal & directory advertising services ⁽¹⁾	973	1,063	-8.4	3,004	3,235	-7.1
Operational EBITDA	505	587	-13.9	1,547	1,849	-16.3
Operational EBITDA margin	51.9%	50.1%		51.2%	52.1%	
Share of associates' results	168	198	-15.3	758	753	0.7
-ordinary operations	429	193	122.6	1,062	518	105.0
-exceptional items	(262)	5	nm	(305)	234	nm
EBITDA	757	869	-12.9	2,558	2,855	-10.4
Exceptional gains/ (losses)	186	(26)	nm	894	(57)	nm
Net profit	698	274	155.1	2,152	1,140	88.8
Net profit (before goodwill)	862	438	96.6	2,640	1,622	62.8
Net profit (before goodwill and exceptionals)	681	464	46.6	1,751	1,556	12.5

Note:

- (1) Exclude postal and directory advertising services for current and prior periods. For statutory reporting purposes, postal services ceased to be recorded with effect from 1 April 2003, and directory advertising services ceased to be recorded from 1 July 2003.

SECTION II: SINGTEL

SUMMARY INCOME STATEMENTS
For The Third Quarter And Nine Months Ended 31 December 2003

	Quarter			Nine Months		YOY Chge %
	31 Dec		YOY Chge %	31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
Operating revenue	973	1,171	-16.9	3,021	3,551	-14.9
Operating expenses	(470)	(596)	-21.2	(1,489)	(1,728)	-13.8
	503	575	-12.5	1,531	1,823	-16.0
Other income	2	12	-83.9	16	26	-39.5
Operational EBITDA	505	587	-13.9	1,547	1,849	-16.3
-EBITDA margin	51.9%	50.1%		51.2%	52.1%	
Compensation from IDA	84	84	-	253	253	-
Share of results of associates						
- ordinary operations	347	193	80.0	980	518	89.2
- ordinary operations (Belgacom 4Q)	82	-	nm	82	-	nm
- exceptional items	(13)	5	nm	(56)	234	nm
- exceptional items (Belgacom pension)	(249)	-	nm	(249)	-	nm
	168	198	-15.3	758	753	0.7
EBITDA	757	869	-12.9	2,558	2,855	-10.4
Amortisation of goodwill	(164)	(165)	-0.7	(488)	(482)	1.1
Depreciation & other amortisation	(162)	(186)	-13.0	(489)	(573)	-14.6
EBIT	431	518	-16.8	1,581	1,799	-12.1
Net finance income /(expense)						
- net interest expense	(42)	(72)	-40.9	(128)	(212)	-39.7
- other finance income/ (expense)	237	16	@	253	(6)	nm
	195	(56)	nm	125	(219)	nm
Profit before EI	626	462	35.4	1,706	1,580	7.9
Exceptional items ("EI")	186	(26)	nm	894	(57)	nm
Profit before tax	812	436	86.1	2,599	1,523	70.6
Taxation						
- ordinary results	(133)	(182)	-27.0	(485)	(541)	-10.3
- exceptional tax credit	-	-	-	-	123	nm
	(133)	(182)	-27.0	(485)	(418)	16.0
Profit after tax	679	254	167.0	2,115	1,105	91.3
Minority interests	19	19	-2.1	38	34	9.9
Net profit	698	274	155.1	2,152	1,140	88.8
Net profit	698	274	155.1	2,152	1,140	88.8
Exclude:						
Amortisation of goodwill	164	165	-0.7	488	482	1.1
Exceptional items	(186)	26	nm	(894)	57	nm
Exceptional tax credit	-	-	-	-	(123)	nm
Minority interest on EI	5	-	nm	5	-	nm
Adjusted net profit	681	464	46.6	1,751	1,556	12.5

@ denotes more than 500%

SECTION II: SINGTEL**REVIEW OF SINGTEL OPERATING PERFORMANCE**

Operating revenue declined 17% to S\$973 million. Excluding postal and directory advertising revenues, operating revenue decreased 8.4%. This was mainly due to weaker revenues from IT and Engineering services and the continued decline in International Telephone revenue. Mobile Communications and National Telephone revenues were stable.

International Telephone revenue declined 12% and Data & Internet revenue fell 3.1%. IT and Engineering revenue declined 9% against the preceding quarter due to lower corporate IT spending, intense competition and continued weak demand in China. IT and Engineering revenue fell 28% and 4.6% for the quarter and nine months ended 31 December 2003 respectively.

Operational EBITDA margin was maintained at a strong 51.9%, compared to 50.1% a year ago. Strong free cash flows totalling S\$355 million were generated for the quarter.

In the current quarter, Belgacom's financial period was aligned for consolidation purpose. The share of results of associates included an additional quarter of Belgacom results of S\$82 million for the quarter ended 31 December 2003. The Group also equity accounted its share of Belgacom's pre-tax pension cost of S\$249 million arising from the transfer of all accrued and future pension fund statutory obligations in respect of its statutory employees to the Belgian State. See Section IV- page 51 for additional information.

With the charge for pension costs, earnings from associates accounted for a lower 27% (3Q FY2002/03: 43%) of SingTel's pre-tax profit.

OPERATING REVENUE

SINGTEL	Quarter					Nine Months				
	31 Dec				YOY Chge %	31 Dec				YOY Chge %
	2003		2002			2003		2002		
	S\$ m	Mix %	S\$ m	Mix %		S\$ m	Mix %	S\$ m	Mix %	
Data and Internet	279	29	288	25	-3.1	841	28	892	25	-5.8
Mobile communications	207	21	205	17	1.0	614	20	622	18	-1.4
International telephone	180	19	206	18	-12.4	575	19	686	19	-16.2
National telephone	140	14	140	12	0.2	428	14	431	12	-0.6
IT and engineering	113	12	157	13	-28.1	368	12	386	11	-4.6
Sale of equipment	21	2	24	2	-10.5	70	2	65	2	8.5
Paging and aeronautical	20	2	26	2	-23.0	64	2	86	2	-25.1
Others ⁽¹⁾	13	1	18	2	-27.7	43	1	66	2	-34.7
	973	100	1,063	91	-8.4	3,004	99	3,235	91	-7.1
Postal services	-	-	92	8	nm	-	-	264	7	nm
Directory advertising	-	-	16	1	nm	17	1	52	2	-67.4
Total	973	100	1,171	100	-16.9	3,021	100	3,551	100	-14.9

Note:

(1) Comprises revenue from lease of satellite transponders and miscellaneous income.

SECTION II: SINGTEL

With SingTel's exit from the postal and directory advertising businesses, Data & Internet services, the largest revenue stream, contributed 29% of total operating revenue compared to 25% a year ago. Mobile communications was the second largest revenue stream at 21%, up from 17% a year ago.

Mobile Communications

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003	2002	2003	2002		
Cellular service	207	205	1.0	614	622	-1.4

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
Number of Mobile subscribers ('000s)						
Prepaid	409	423	398	409	423	-3.2
Postpaid	1,125	1,133	1,120	1,125	1,133	-0.7
Total	1,534	1,555	1,518	1,534	1,555	-1.4
MOUs per subscriber per month ⁽²⁾						
Prepaid	45	53	48	46	53	-12.5
Postpaid	305	302	295	297	307	-3.0
Average revenue per subscriber per month ⁽²⁾ (S\$ per month)						
Prepaid	18	17	18	16	16	0.6
Postpaid	70	70	70	69	71	-3.6
Blended	56	55	56	55	57	-3.9
Data services as % of ARPU ⁽³⁾	17%	13%	16%	17%	13%	
Acquisition cost per subscriber	141	194	130	166	164	1.2
Postpaid churn per month	1.1%	1.6%	1.2%	1.3%	1.5%	
Singapore Mobile penetration rate ⁽⁴⁾	83%	78%	82%	83%	78%	
Singapore mobile subscribers ('000s) ⁽⁵⁾	3,477	3,245	3,402	3,477	3,245	7.2
Market share						
Prepaid	42%	50%	43%	42%	50%	
Postpaid	45%	47%	45%	45%	47%	
Overall	44%	48%	45%	44%	48%	

Notes:

- (1) Cellular service revenue excludes revenue earned from international calls classified under "International Telephone" revenue, consistent with prior periods.
- (2) Based on average subscribers, calculated as the simple average of opening and closing subscribers. ARPU includes revenue earned from international telephone calls.
- (3) Includes revenue from SMS, *SEND, MMS and other data services.
- (4) The penetration rates for the prior periods are based on previously published figures by IDA, not updated with subsequent changes in population base.
- (5) Source: IDA. Prior period figures based on previously published figures by IDA.

SECTION II: SINGTEL

With general sluggish growth in the mobile phone market, Mobile Communications revenue was stable both against the preceding quarter and the last corresponding quarter.

The number of mobile subscribers (in both the postpaid and prepaid segments) grew compared to the preceding quarter, reversing a declining trend. With its mobile subscriber base of 1.53 million as at 31 December 2003, SingTel's estimated market share is 44%.

In spite of intense competition, the post paid churn rate was at a record low of 1.1% during the quarter, the result of a successful customer retention programme. Acquisition cost rose to S\$141 from S\$130 a quarter ago, a result of seasonal festive promotions. However, the acquisition cost was lower by 27% compared to a year ago.

Adoption of mobile data services such as SMS, picture messaging and downloads continued to rise and mobile data revenue made up 17% of ARPU, compared to 13% a year ago.

SECTION II: SINGTEL

Data and Internet

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m		
Data services						
Local leased circuits	97	94	2.7	287	288	-0.3
International leased circuits	48	62	-22.6	147	215	-31.7
ISDN	15	18	-15.6	47	50	-5.2
ATM	17	17	-3.4	48	48	-1.0
Others	37	36	1.1	109	110	-1.6
	213	228	-6.3	637	711	-10.4
Internet related						
Broadband	61	30	103.0	161	76	113.2
Narrowband	26	33	-20.5	83	103	-18.9
SingTel Internet Exchange (STIX)	14	14	5.1	44	46	-4.1
	101	76	32.4	289	225	28.7
Intercompany eliminations	(55)	(37)	46.9	(151)	(112)	35.0
	260	267	-2.7	776	824	-5.9
Capacity sales revenue (net of interco elimin)	20	21	-8.4	65	68	-4.8
Total	279	288	-3.1	841	892	-5.8

Key Drivers - Internet related	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
Number of broadband lines (000s) ⁽¹⁾	242	129	219	242	129	87.5
Singapore Broadband penetration rate ⁽²⁾	9%	6%	9%	9%	6%	
Broadband market share ⁽³⁾	62%	56%	62%	62%	56%	
Number of paying Internet dial-up customers (000s)	164	224	176	164	224	-26.9

Notes:

- (1) SingTel's broadband service comprises all ADSL lines, including SingNet retail broadband lines.
(2) Total estimated ADSL and cable lines divided by total Singapore population.
(3) Broadband market share based on SingTel's estimates.

Compared to the same quarter last year, Data & Internet revenue declined by 3.1% but was stable compared to the preceding quarter.

Data services revenue fell 6.3% against the corresponding quarter last year but improved 2.1% against the preceding quarter.

Local leased circuits, the largest component, contributed 45% of total Data services revenue during the quarter. Revenue increased 2.7% compared to the same quarter last year and was stable from the preceding quarter.

SECTION II: SINGTEL

International leased circuit (ILC) revenue declined 23% on a year on year basis but showed an improvement of 5.8% against the preceding quarter. Compared to the preceding quarter, ILC rates fell less significantly while circuit size continued to grow 13%, whilst compared to a year ago, ILC rates decline more than offset the growth in circuit size.

Internet revenue rose by 32%, driven by a doubling of revenue from broadband services. The number of broadband lines continued to increase, from 219,000 lines a quarter ago to 242,000 lines as at 31 December 2003. The year on year increase was 88%.

As with prior quarters, the dial-up narrowband subscriber base continued to decline as customers migrated to broadband services. As at 31 December 2003, dial-up subscribers totalled 164,000 compared to 176,000 subscribers a quarter ago.

Revenue from capacity sales included the amortised income of capacity sold on the C2C submarine cable network commissioned in January 2002. Capacity sales recorded on an operating lease basis for the current quarter amounted to S\$20 million, 8.4% lower than the same quarter last year. The decline was also due to the weaker United States Dollar.

Please refer to Appendix 3 for more information on C2C.

International Telephone

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m		
International (incl Malaysia) call revenue	144	163	-11.5	445	531	-16.3
Inpayments and net transit	36	43	-15.8	131	155	-15.7
Total	180	206	-12.4	575	686	-16.2

Key drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
International telephone outgoing minutes (m mins)(excl Malaysia)	233	227	235	702	751	-6.5
Average IDD call collection rate - net basis (S\$/min) (excl Malaysia)	0.460	0.530	0.481	0.479	0.544	-11.9
Singapore total outgoing international and transit minutes (m mins) ⁽²⁾	835	676	745	2,303	2,112	9.0
Market share⁽³⁾	77%	79%	76%	77%	83%	

Notes:

(1) International telephone services include international calling cards, IDD calls and facsimile services into and out of Singapore, other international call services, corporate voice, video and audio conferencing and wholesale voice services. It also includes international telephone revenue earned from calls made from mobile phones.

(2) Source: IDA.

(3) Market share is computed based on SingTel's total outgoing international (including Malaysia) and transit minutes over the industry minutes as published by IDA.

SECTION II: SINGTEL

International Telephone revenue declined 12% to S\$180 million during the quarter due to a 13% decline in average collection rates and a 16% drop in inpayments revenue. International Telephone outgoing minutes, however, rose 2.6% during the quarter.

On a sequential quarter basis, International Telephone revenue fell by 7.2%. Excluding Malaysia, average collection rate fell 4.4% whilst International Telephone outgoing traffic volume was flat.

SECTION II: SINGTEL

National Telephone

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
DEL ⁽²⁾ , interconnect, payphone etc	140	140	0.2	428	431	-0.6

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
DEL working lines ('000s)						
Residential	1,122	1,150	1,130	1,122	1,150	-2.4
Business	766	779	767	766	779	-1.8
Total	1,888	1,929	1,896	1,888	1,929	-2.2
Singapore DEL penetration rate ⁽³⁾	45.3%	46.4%	45.7%	45.3%	46.4%	
Singapore DEL working lines ('000s) ⁽⁴⁾	1,897	1,934	1,904	1,897	1,934	-1.9
DEL market share	99.5%	99.8%	99.6%	99.5%	99.8%	

Notes:

- (1) National Telephone revenue comprises revenue derived from national telephone services, settlement of domestic telephone calls originated by competing fixed line and wireless service providers, enhanced telephone services and revenue from payphones.
- (2) DEL : Direct exchange line.
- (3) The penetration rates for the prior periods are based on previously published figures by IDA, not updated with subsequent changes in population base.
- (4) Source: IDA.

National Telephone revenue was stable compared to the preceding quarter and the same quarter last year.

Excluding the effect of a revenue adjustment of S\$7 million relating to unearned payphone revenue in the nine months ended 31 December 2002, National Telephone revenue was stable on a year on year basis.

IT and Engineering Services ("IT & E")

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
NCS and its subsidiary companies	102	131	-22.1	343	360	-4.8
IPACS ⁽¹⁾	11	26	-58.3	25	26	-2.3
	113	157	-28.1	368	386	-4.6

Note :

- (1) IPACS was acquired and consolidated from 1 October 2002.

SECTION II: SINGTEL

Revenue from IT&E services contracted 28% to S\$113 million during the quarter. Contribution from IPACS was S\$11 million, less than half of the S\$26 million recorded in the same quarter a year ago. Excluding IPACS which operates in mainland China, IT&E services fell 22%, reflecting continued weak business demand and a tough IT operating environment.

IPACS's business in China remained challenging. Revenue generation was affected by deferred spending and project delays by key customers, combined with intense competition.

Despite the poor third quarter results, NCS continues to build a strong pipeline into 2004 and beyond. Major contract wins in the quarter ended December 2003 came from a broad industry spectrum ranging from government, healthcare, and transportation sectors in Singapore, Australia, and Hong Kong. Through one of its subsidiaries in China, NCS has recently clinched its first overseas BPO (Business Process Outsourcing) engagement with a major foreign bank operating in Shanghai.

For the nine months ended 31 December 2003, approximately 14% of NCS's revenue originated from outside of Singapore, compared to 11% a year ago.

SECTION II: SINGTEL

OPERATING EXPENSES
(Before Depreciation And Amortisation)

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
Staff costs	141	167	-15.6	447	504	-11.3
Selling & administrative	116	147	-21.2	360	427	-15.5
Traffic expenses	119	138	-13.8	359	445	-19.4
Cost of sales	75	127	-40.9	259	293	-11.8
Repairs & maintenance	27	22	25.8	83	84	-1.2
Others ⁽¹⁾	(8)	(4)	86.0	(18)	(25)	-27.0
Total	470	596	-21.2	1,489	1,728	-13.8
SingTel and subsidiary companies	458	510	-10.2	1,452	1,514	-4.1
IPACS	12	23	-49.6	28	23	19.2
	470	534	-12.0	1,480	1,537	-3.7
SingPost ⁽²⁾	-	56	nm	-	162	nm
SingTel Interactive ⁽²⁾	-	7	nm	10	29	-66.9
Total	470	596	-21.2	1,489	1,728	-13.8

Notes:

(1) Others include government grants and recoveries of costs.

(2) Based on after elimination of intercompany transactions.

As a percentage of operating revenue	Quarter		Nine Months	
	31 Dec		31 Dec	
	2003	2002	2003	2002
Staff costs	14%	14%	15%	14%
Selling & administrative	12%	13%	12%	12%
Traffic expenses	12%	12%	12%	13%
Cost of sales	8%	11%	9%	8%
Repairs & maintenance	3%	2%	3%	2%
Others	-1%	*	-1%	-1%
Total	48%	51%	49%	49%

* denotes less than +/- 0.5%

All expense categories, except for Repairs & Maintenance, recorded double-digit declines. SingTel's underlying operating expenses (i.e. excluding postal and directories businesses) decreased by 12% or S\$64 million during the quarter.

SECTION II: SINGTEL

Staff Costs

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m
Gross staff costs	141	147	-3.5	444	447	-0.6
Capitalisation	(5)	(4)	30.6	(12)	(12)	-3.4
Performance shares cost	3	-	nm	6	-	nm
	139	143	-2.6	439	435	0.9
IPACS	2	2	-11.1	5	2	155.6
SingPost	-	18	nm	-	55	nm
SingTel Interactive	-	4	nm	4	12	-71.1
Total, net	141	167	-15.6	447	504	-11.3

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
SingTel average number of staff	10,339	13,324	10,390	10,517	13,221	-20.5
Revenue per staff (S\$'000) ⁽¹⁾	94	88	96	287	269	7.0
As at end of period:						
Number of staff						
NCS Group						
IPACS	231	221	231	231	221	4.5
Other NCS entities	2,593	2,743	2,600	2,593	2,743	-5.5
	2,824	2,964	2,831	2,824	2,964	-4.7
SingTel and subsidiary companies	7,500	7,705	7,532	7,500	7,705	-2.7
	10,324	10,669	10,363	10,324	10,669	-3.2
SingTel Interactive ⁽²⁾	-	387	-	-	387	nm
SingPost	-	2,241	-	-	2,241	nm
SingTel	10,324	13,297	10,363	10,324	13,297	-22.4
Optus	8,894	8,630	8,741	8,894	8,630	3.1
Total Group	19,218	21,927	19,104	19,218	21,927	-12.4

Notes:

(1) Based on average staff numbers.

(2) The staff of SingTel Interactive Pte Ltd (formerly known as SingTel Yellow Pages Pte Ltd) was transferred to Yellow Pages (Singapore) Pte Ltd, the new entity which bought the directory assets and businesses of SingTel with effect from 1 July 2003.

As at 31 December 2003, SingTel's headcount (excluding employees in the postal and directories businesses) dropped by 3.2% year on year to 10,324.

The gross staff cost fell 3.5% due mainly to the reduction in employers' CPF rate from 16% to 13% from 1 October 2003 and lower headcount.

In May 2003, the SingTel Group introduced a performance share plan known as the SingTel Executives' Performance Share Plan (the "Plan") to replace the share options scheme. The Plan aims to better align the interests of staff with the interests of shareholders and to attract and retain staff.

SECTION II: SINGTEL

Under the Group's accounting policy, the cost of the Plan is amortised over the performance period from the grant date to the vesting date based on the estimated fair market value at which existing ordinary shares are purchased and on vesting performance assumptions although the shares will ultimately only vest upon attainment of certain performance hurdles. The cost charged and accrued to SingTel in the quarter was about S\$3 million, or S\$6 million for the current nine months.

Selling & Administrative Expenses

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m		
Selling & administrative expenses						
- SingTel and subsidiary companies	116	132	-12.2	358	379	-5.7
- SingPost	-	15	nm	-	42	nm
- SingTel Interactive	-	*	nm	3	5	-48.0
	116	147	-21.2	360	427	-15.5

* denotes less than S\$500,000

In the prior year, all inter-company charges with SingPost were eliminated when SingPost was consolidated on a line by line basis as a subsidiary. From this financial year, SingPost was accounted for as an associate, and postage and counter services charges paid to SingPost are charged directly to administrative expenses. Such expenses amounted to S\$7 million for the current quarter and S\$15 million for the nine months ended 31 December 2003. Adjusting for the expenses, the underlying Selling & Administrative expenses would have been 17% lower than the same quarter last year and 9% lower for the current nine months. The decline in Selling & Administrative expenses was attributable to lower mobile acquisition and retention costs and lower licence fees.

Traffic Expenses

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m	2003 S\$ m	2002 S\$ m		
International outpayments	63	63	1.1	197	225	-12.2
Leases ⁽¹⁾	44	48	-9.1	124	144	-13.9
Interconnect	12	12	-4.8	37	34	8.7
	119	123	-3.5	359	403	-11.0
SingPost	-	15	nm	-	42	nm
	119	138	-13.8	359	445	-19.4

Note:

(1) Leases comprise backhaul charges, Inmarsat satellite rental, cost of restoring cable breakages and lease circuit charges.

SECTION II: SINGTEL

International outpayments for the corresponding quarter last year included a credit of S\$12 million in respect of prior periods upon final settlement of accounts with other carriers. Excluding this item, International outpayments decreased 15% reflecting lower settlement rates.

Cost of Sales

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Cost of sales						
- NCS/ TEPL/ SingTel	66	98	-32.6	235	243	-3.2
- IPACS	9	20	-54.0	21	20	3.0
	75	118	-36.3	256	264	-2.8
SingPost	-	7	nm	-	19	nm
SingTel Interactive	-	3	nm	3	11	-75.7
Total	75	127	-40.9	259	293	-11.8

The decline in Cost of Sales was consistent with the decline in IT and Engineering and Sale of Equipment revenues.

Repairs & Maintenance

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Repairs & maintenance						
- SingTel and subsidiaries	27	21	31.3	83	80	3.8
- SingPost	-	1	nm	-	3	nm
- SingTel Interactive	-	*	nm	*	1	nm
	27	22	25.8	83	84	-1.2

* denotes less than S\$500,000

Repairs and maintenance expense was low in the same quarter last year due to deferral of certain expenditure to 4Q of last year.

SECTION II: SINGTEL

OTHER INCOME STATEMENT ITEMS

Depreciation And Amortisation

SINGTEL	Quarter			Nine Months		
	31 Dec		YOY Chge %	31 Dec		YOY Chge %
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Amortisation of goodwill						
- for acquisition of Optus	140	142	-1.8	419	426	-1.8
- for acquisition of associates and other subsidiaries	24	23	6.6	69	56	23.3
	164	165	-0.7	488	482	1.1
Depreciation of property, plant and equipment						
- SingTel and subsidiary companies	130	133	-2.3	393	399	-1.6
- C2C	32	43	-24.7	96	141	-32.2
- SingPost	-	10	nm	-	29	nm
- SingTel Interactive	-	1	nm	1	4	-71.1
	162	186	-13.1	489	573	-14.6
Other amortisation	*	*	nm	*	*	nm
	162	186	-13.0	489	573	-14.6
Depreciation as a percentage of operating revenue	17%	16%		16%	16%	

* denotes less than +/- S\$500,000

The lower depreciation charge was primarily the result of the S\$812 million (US\$460 million) impairment charge on C2C's network assets made in the March 2003 quarter.

Net Finance Income/(Expense)

SINGTEL	Quarter			Nine Months		
	31 Dec		YOY Chge %	31 Dec		YOY Chge %
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Net interest expense						
Interest expense	(64)	(77)	-16.3	(205)	(229)	-10.6
Writeback of interest expense	-	-	-	10	-	nm
Interest income from third parties	5	5	2.2	13	16	-17.1
Interest income from Optus	(60)	(72)	-17.5	(182)	(213)	-14.9
	17	*	nm	54	1	@
	(42)	(72)	-40.9	(128)	(212)	-39.7
Other finance income/ (expense)						
Net investment income/ (loss)						
- Writeback/ (provision) for diminution in value of short term investments	3	9	-67.8	23	(42)	nm
- Investment (loss) / gain ⁽¹⁾	(3)	(1)	114.3	(5)	4	nm
- Foreign exchange gain (non-trade)	237	8	@	252	31	@
	237	16	@	269	(6)	nm
Premium on bond buy back	-	-	-	(17)	-	nm
	237	16	@	253	(6)	nm

@ denotes more than 500%

* denotes less than \$500,000

Note:

(1) Comprise mainly dividend income and realised gains or losses on disposals of short term investments.

SECTION II: SINGTEL

Excluding the interest income from Optus (which is eliminated upon consolidation), net interest expense declined by 18%. This was mainly attributable to a reduction of interest expense as interest rates fell.

In March 2003, SingTel extended loans totalling A\$1.3 billion to Optus, denominated in Australian Dollar. The loans were intended to be part of the long term financing of Optus, and consequently, exchange differences were taken to reserves.

Optus cash performance has been better than anticipated since those loans were made. As a result, the Group's treasury policy required a rebalancing of the Australian Dollar debt with Australian cash flows. Consequently, A\$1.07 billion of these inter-company loans were re-designated as short term loans. Optus repaid A\$522 million to SingTel during the quarter.

Realised and unrealised exchange gains on the re-designated loans totalled S\$223 million. These exchange gains have been taken to the income statement in the current quarter.

SECTION II: SINGTEL**Exceptional Items**

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m	2003 S\$m	2002 S\$m		
Gain on disposal of equity interest in ADSB group	142	-	nm	142	-	nm
Loss on deemed disposal of ADSB group / associate	(90)	(3)	@	(90)	(3)	@
	52	(3)	nm	52	(3)	nm
Gain on disposal of 69% equity interest in SingPost	-	-	-	545	-	nm
Gain on disposal of directory assets and businesses	-	-	-	160	-	nm
Net gain/(loss) on disposal of long term investments	135	(61)	nm	138	(56)	nm
Provision for diminution in value of non-current investments ⁽²⁾	-	38	nm	(2)	(12)	-79.8
Recovery of investment in joint venture companies previously written off	-	-	-	1	11	-87.3
Gain on disposal of business units of a subsidiary	-	-	-	-	3	nm
Total	186	(26)	nm	894	(57)	nm

@ denotes more than 500%

Notes:

(1) Exceptional items are material non-recurring items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.

(2) Non-current investments include associates and long term investments.

In late December 2003, SingTel ADSB (Netherlands) B.V. ("**SingTel ADSB**"), a 90% owned subsidiary of the Group, reduced its equity interest in its associated company, ADSB Telecommunications B.V. ("**ADSB**") from 27% to 26.9% pursuant to a share repurchase exercise by ADSB. This share repurchase exercise followed a share repurchase exercise by Belgacom, which repurchased approximately 3% of its shares held by ADSB, thereby reducing ADSB's effective interest in Belgacom from 50% less 1 share to 48.4%.

After the share repurchases, SingTel's effective interest in Belgacom (after minority interest) was reduced from 12.15% to 11.72%.

The sale resulted in an exceptional capital gain of S\$142 million and an exceptional loss on deemed disposal (or loss on dilution) of S\$90 million recorded in the current quarter.

SingTel also realised gains on sale of certain long term investments (including interest in Inmarsat and Globe Telecom) of S\$135 million.

SECTION II: SINGTEL

Taxation

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Taxation						
Current and deferred taxes (a)	83	87	-4.7	261	316	-17.5
Adjustment for reduction in Singapore corporate tax rate for FY01/02 profits	-	-	-	-	(123)	nm
	83	87	-4.7	261	193	35.0
Share of taxes of associates						
Tax on ordinary results (b)	142	72	97.1	321	204	57.8
Tax credit on exceptional items	(92)	(1)	@	(97)	(2)	@
Share of tax adjustment of Belgacom	-	23	nm	-	23	nm
Total	133	182	-27.0	485	418	16.0
Effective tax rates based on :						
<i>SingTel reported profits before tax (ex-Optus)</i>				18.7%	27.4%	
<i>SingTel profits (ex-Optus and associates)</i>						
Profit before tax				2,599	1,523	
Exclude compensation from IDA				(253)	(253)	
Exclude share of associates' profits				(758)	(753)	
Exclude amortisation of goodwill				488	482	
Exclude provision for diminution of short term investments				(23)	42	
Exclude exceptional items				(894)	57	
Exclude exchange differences from loans to Optus				(223)	-	
Exclude C2C losses which have no tax benefit				103	164	
Adjusted pre-tax profits (c)				1,040	1,263	
Effective tax rate (a)/(c)				25.1%	25.0%	
Statutory tax rate applicable to period				22.0%	22.0%	
<i>Share of associates' profits</i>						
Share of results from ordinary operations (d)				1,062	518	
Effective tax rate (b)/(d)				30.2%	39.3%	

@ denotes more than 500%

The effective tax rate on ordinary results for the associates was 30%, lower than the 39% a year ago due to a higher contribution from Telkomsel which has a lower tax rate of 30%, and lower effective tax rates from the other major associates.

Belgacom's corporate tax rate has been reduced from 40.17% to 33.99% since January 2003. Globé also reported a lower effective tax rate due to a three-year income tax holiday from its phase 8 telecommunication system expansion project.

The tax credit of S\$92 million on exceptional items for the quarter relates mainly to Belgacom's exceptional pension cost charge.

SingTel's tax expense for the comparative nine months ended 31 December 2002 included an exceptional tax credit of S\$123 million from a reduction in the Singapore corporate tax rate from 24.5% to 22% announced by the Singapore Government on 3 May 2002.

SECTION II: SINGTEL**MINORITY INTERESTS**

SINGTEL	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m	2003 S\$m	2002 S\$m		
Minority interests	19	19	-2.1	38	34	9.9

Minority interests relate mainly to the results of C2C and ADSB/ Belgacom attributable to the minority shareholders. It also includes the exceptional gains on disposal of equity interest in ADSB group attributable to the minority shareholders.

SECTION II: SINGTEL

SINGTEL CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002 ⁽¹⁾	2003	2003	2002 ⁽¹⁾	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow/(outflow) from operating activities						
Profit before tax	812	436	541	2,599	1,523	70.6
Depreciation	162	186	162	489	573	-14.6
Amortisation of goodwill	164	165	163	488	482	1.1
Compensation from IDA	(84)	(84)	(84)	(253)	(253)	-
Share of results of associates	(168)	(198)	(303)	(758)	(753)	0.7
Exceptional items	(186)	26	(4)	(894)	57	nm
Interest and investment income	(259)	(21)	(40)	(336)	(11)	@
Other non-cash items	68	74	75	218	234	-7.0
Non-cash items	(303)	148	(31)	(1,046)	330	nm
Operating cash flow before working capital changes	509	584	510	1,554	1,854	-16.2
Changes in operating assets and liabilities	(46)	(73)	(88)	(192)	(60)	220.9
	463	511	421	1,361	1,794	-24.1
Dividends received from associates	113	170	281	528	270	95.4
Tax paid	(143)	(179)	(200)	(360)	(424)	-15.0
	433	502	503	1,529	1,640	-6.8
Net cash inflow/ (outflow) from investing activities						
Payment for purchases of property, plant and equipment	(78)	(130)	(85)	(231)	(686)	-66.3
Repayment of loans by Optus /(Loans to Optus)	644	(800)	-	644	(800)	nm
Investment in associates	(348)	-	-	(349)	(767)	-54.5
Net (purchase)/ sale of short term investments	(87)	12	(274)	(366)	208	nm
Proceeds from disposal of associates	89	-	-	90	-	nm
Proceeds from disposal of long term investments	149	193	-	206	242	-15.0
Proceeds from disposal of subsidiary, net of cash disposed	-	-	-	349	-	nm
Proceeds from disposal of directory assets and business	-	-	7	223	-	nm
Others (dividends and interest received etc)	37	42	43	87	11	@
	407	(684)	(310)	653	(1,793)	nm
Net cash (outflow)/ inflow from financing activities						
Net (decrease)/increase in borrowings	-	*	(485)	(185)	217	nm
(Payment)/ Balance due for bonds buyback	(502)	-	502	-	-	-
Premium on bond buyback	-	-	(17)	(17)	-	nm
Net interest paid on borrowings and swaps	(62)	(85)	(42)	(204)	(237)	-14.2
Dividends paid	-	-	(765)	(765)	(765)	-
Others (dividend to MI, loans from MI repaid)	4	(15)	2	*	(14)	nm
	(560)	(100)	(804)	(1,171)	(800)	46.4
Net increase/ (decrease) in cash and cash equivalents	280	(282)	(611)	1,011	(953)	nm
Cash and cash equivalents at beginning	1,619	981	2,229	888	1,652	-46.3
Cash and cash equivalents at end	1,898	699	1,619	1,898	699	171.6
Free cash flow ⁽²⁾	355	372	418	1,297	954	36.1
Capital expenditure - accrual basis	105	309	85	244	432	-43.5
Cash capex to operating revenue	8%	11%	8%	8%	19%	

* denotes less than S\$500,000

@ denotes more than 500%

SECTION II: SINGTEL

Notes:

- (1) Certain December 2002 numbers have been reclassified.
- (2) Free cash flow refers to cashflow from operating activities less cash capex.

For the third quarter ended 31 December 2003, operating cash flow for SingTel (before dividend and tax) amounted to S\$463 million, down 9.4% due to lower operational EBITDA. Dividends received from associates decreased by 34% as there was a one-off special dividend of S\$140 million from Belgacom in the last corresponding quarter.

Investing activities generated a net cash inflow of S\$407 million for the quarter, mainly from S\$644 million received from Optus upon partial repayment of an inter-company loan. This was partially offset by S\$348 million paid for additional equity interests in associates (mainly Globe Telecom).

The cash outflow for capital expenditure was S\$78 million, representing 8% of operating revenue for the quarter. SingTel expects the cash capex to revenue ratio for the full year to be less than the previous guidance of low to mid teens.

Free cash flow for the current quarter amounted to S\$355 million.

Net cash outflow in financing activities amounted to S\$560 million. During the quarter, SingTel made the cash payment of S\$502 million in respect of the buy back of its bonds contracted in September 2003.

Cash and cash equivalents for the quarter increased by S\$280 million, resulting in an ending cash balance of S\$1.90 billion as at 31 December 2003.

SINGTEL OPTUS PTY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS OF
UNAUDITED RESULTS OF OPERATIONS

FINANCIAL HIGHLIGHTS

FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003

- Operating revenue up 14%.
- Operational EBITDA up 35% (excluding the one-off C1 Defence contract).
- Operational EBITDA margin increased to 29.4% - up 4.5 percentage points.
- Profit after tax of A\$126 million - up A\$104 million.
- Free cash flow of A\$210 million - up A\$67 million.

FOR THE NINE MONTHS ENDED 31 DECEMBER 2003

- Operating revenue up 16% (excluding the one-off C1 Defence contract).
- Operational EBITDA up 42% (excluding the one-off C1 Defence contract).
- Operational EBITDA margin increased to 28.9% - up 5.1 percentage points.
- Profit after tax of A\$316 million - up A\$370 million.
- Free cash flow of A\$697 million - up A\$373 million.

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
Operating revenue	1,657	1,454	14.0	4,959	4,056	22.3
- excluding the C1 Defence contract	1,657	1,454	13.9	4,708	4,056	16.1
Operational EBITDA	488	358	36.0	1,394	960	45.2
Operational EBITDA margin	29.4%	24.6%		28.1%	23.7%	
- excluding the C1 Defence contract	29.4%	24.9%		28.9%	23.8%	
EBIT	234	104	124.4	645	232	177.7
Net profit/ (loss)	126	22	465.5	316	(54)	nm
Free cash flow	210	143	47.0	697	324	115.2

SECTION III : OPTUS**OPTUS SUMMARY INCOME STATEMENTS – Singapore GAAP
For The Third Quarter And Nine Months Ended 31 December 2003**

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 A\$m	2002 A\$m	2003 A\$m	2002 A\$m		
Operating revenue	1,657	1,454	14.0	4,959	4,056	22.3
Operating expenses	(1,171)	(1,106)	5.9	(3,587)	(3,114)	15.2
	487	349	39.4	1,372	942	45.8
Other income	1	10	-89.5	22	18	18.6
Operational EBITDA	488	358	36.0	1,394	960	45.2
<i>- EBITDA margin</i>	<i>29.4%</i>	<i>24.6%</i>		<i>28.1%</i>	<i>23.7%</i>	
Share of results of joint ventures	(4)	10	nm	(3)	5	nm
EBITDA	483	369	31.2	1,391	965	44.3
Amortisation of goodwill	(1)	(1)	-14.3	(2)	(2)	-
Depreciation & other amortisation	(249)	(264)	-5.6	(744)	(730)	1.9
EBIT	234	104	124.4	645	232	177.7
Net finance expense	(53)	(57)	-6.7	(155)	(179)	-13.5
Profit before exceptional items	181	47	281.9	490	53	@
Exceptional items	-	-	-	(23)	(45)	-49.3
Profit before tax	181	47	281.9	467	8	@
Tax expense	(55)	(25)	119.1	(152)	(62)	146.3
Profit/(loss) after tax	126	22	465.0	316	(54)	nm

@ denotes more than 500%

Note:

Refer to next page for amounts excluding the one-off C1 Defence contract.

SECTION III : OPTUS**Selected Income Statement Line Items Excluding The C1 Defence Contract**

When the one-off revenues and expenses associated with the successful C1 satellite launch are excluded, results for the third quarter and nine months ended 31 December 2003 are as follows:

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 AS m	2002 AS m		2003 AS m	2002 AS m	
Operating revenue	1,657	1,454	13.9	4,708	4,056	16.1
Operating expenses	(1,171)	(1,102)	6.2	(3,367)	(3,111)	8.2
Operational EBITDA	488	362	34.7	1,363	963	41.5
<i>Operational EBITDA margin</i>	29.4%	24.9%		28.9%	23.8%	
Profit before tax	181	51	255.6	436	12	@
Net profit/ (loss)	126	25	410.1	294	(51)	nm

@ denotes more than 500%

Underlying results excluding the C1 Defence contract and exceptional items for the current quarter compared to the preceding quarter are:

	Quarter		Chge %
	31 Dec		
	2003 AS m	2003 AS m	
Operating revenue	1,657	1,567	5.8
Operating expenses	(1,171)	(1,118)	4.7
Operational EBITDA	488	459	6.1
<i>Operational EBITDA margin</i>	29.4%	29.3%	
EBIT	234	209	12.1
Profit before tax	181	157	15.3
Net profit	126	111	13.9

SECTION III : OPTUS**REVIEW OF OPTUS OPERATING PERFORMANCE**

Optus continued to make strong progress in this quarter towards the goals set for this financial year. Revenue increased 14%, and operational EBITDA increased 35%, compared to the same quarter last year. Compared to the preceding quarter, revenue increased by 5.8% and operational EBITDA increased by 6.1%. These comparisons exclude the impact of the C1 Defence contract.

Driven by improved margins in all divisions, Optus' operational EBITDA margin continued its improving trend, reaching 29% compared to 25% for the same quarter last year. Profit after tax for the quarter was A\$126 million, a substantial increase of A\$104 million over the same quarter last year.

Cash capital expenditure for the quarter was A\$280 million, an increase of 13% on the same quarter last year. Year to date cash capital expenditure amounted to A\$634 million, a reduction of 1.7% on the corresponding period's A\$645 million. Cash capital expenditure for the year to date represented 13% of operating revenue excluding the C1 Defence contract, compared to the corresponding period's 16%.

Driven by the stronger operating performance, free cash flow continued to improve significantly. Free cash flow for the quarter was A\$210 million, compared to A\$143 million for the same quarter last year. For the year to date, free cash flow was A\$697 million, an improvement of 115% on the corresponding period's A\$324 million.

OPERATING REVENUE

	Quarter			Nine Months		
	31 Dec		YOY Chge %	31 Dec		YOY Chge %
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
Operating revenue by division:						
Mobile	915	776	17.8	2,558	2,125	20.4
Optus business	255	244	4.8	1,007	704	43.0
Optus wholesale	116	108	7.9	325	333	-2.5
Consumer and multimedia	387	340	13.8	1,111	932	19.3
Less inter-divisional revenue ⁽¹⁾	(16)	(13)	20.6	(43)	(39)	9.8
Total	1,657	1,454	14.0	4,959	4,056	22.3
- excluding C1 Defence contract	1,657	1,454	13.9	4,708	4,056	16.1

Note:

(1) Inter-divisional revenue represents mobile termination revenue for fixed to mobile calls originating with Consumer and Multimedia, and Optus Business and preselected customers.

Optus sustained its revenue momentum and is growing approximately three times faster than the market as a whole. Operating revenue grew 14% compared to the same quarter last year. This was the eighth successive quarter of double digit revenue growth for Optus.

SECTION III : OPTUS

OPTUS MOBILE DIVISION

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
Mobile communications revenue ⁽¹⁾						
Services	813	695	17.0	2,306	1,961	17.6
Equipment	102	81	24.7	252	164	53.9
	915	776	17.8	2,558	2,125	20.4
Operational EBITDA ⁽²⁾	338	276	22.6	962	774	24.3
- EBITDA margin	37%	36%		38%	36%	

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
Number of mobile subscribers (000s)						
Prepaid	2,368	1,663	2,130	2,368	1,663	42.4
Postpaid	2,997	2,875	2,943	2,997	2,875	4.2
Total	5,365	4,537	5,073	5,365	4,537	18.2
Mobile penetration rate ⁽³⁾	77%	68%	74%	77%	68%	
MOUs per subscriber per month ⁽⁴⁾						
Prepaid ⁽⁵⁾	55	47	69	63	39	62.0
Postpaid	132	125	130	130	122	6.5
ARPU per month (A\$) ⁽⁴⁾						
Prepaid	24	23	23	23	20	11.8
Postpaid	73	68	71	71	66	8.1
Blended	52	52	51	51	50	1.4
Data revenue as a percentage of service revenue	14%	11%	14%	14%	11%	
Market (000s) ⁽⁶⁾	15,459	13,414	14,772	15,459	13,414	15.2
Market share - total ⁽⁶⁾	35%	34%	34%	35%	34%	
Retail postpaid churn rate per month ⁽⁷⁾	1.4%	1.5%	1.4%	1.4%	1.5%	
% GSM users through wholesale	18%	18%	18%	18%	18%	

Notes:

- (1) Including equipment, international outgoing and international incoming revenue.
- (2) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.
- (3) Penetration is measured as total market mobile users divided by Australia's total population.
- (4) Based on average customers, calculated as the simple average of opening and closing customers. MOU includes outgoing minutes only. ARPU excludes equipment revenue.
- (5) The installation of new switches completed in March 2003 has given Optus a more complete view of all free minutes provided to prepaid customers for reporting purpose.
- (6) Market size and market share figures are Optus estimates.
- (7) Churn now excludes customers transferring from postpaid to prepaid. Comparative data has been restated to this basis.

SECTION III : OPTUS

Optus Mobile continues to deliver profitable growth, with revenues up 18% and an EBITDA margin of 37%. This reflects a continuing successful focus on higher value customers, reductions in unit subscriber acquisition and retention costs, which fell 7.9% compared to the same quarter last year, and overall tight cost management. As expected, EBITDA margin for the quarter was down slightly on the preceding quarter due to strong subscriber acquisitions over the festive period. Under Singapore GAAP, Optus expenses subscriber acquisition and retention costs as they occur.

Mobile service revenues, which exclude sale of equipment, grew 17%. Total customers increased 18% to 5.37 million.

With Australian mobile penetration at around 77%, subscriber growth may begin to slow. Optus Mobile aims to offset any market slowdown with a continued focus on attracting higher value customers and stimulating data usage. As part of this strategy, the division launched Optus Zoo during the quarter. This is a new brand created for a comprehensive suite of mobile data services. A key element in the launch of Zoo is Optus' commitment to ensure customers have access to the majority of services without needing customised handsets.

These results show the benefits of this strategy, with post-paid minutes of use up 5.8%. Data revenues and SMS volumes both grew by more than 40%, whilst the number of messages per subscriber increased by 27%, compared to the same quarter last year. Data now accounts for 14% of service revenue.

In consequence, post-paid ARPU increased by 7.6% for the quarter. Post-paid churn remained low at 1.4%.

Mobile cash capital expenditure for the nine months was A\$198 million, 31% of the Optus total and up 3.7% on the corresponding period last year. The large base station rollout programme to significantly improve coverage in targeted regional areas is in progress.

SECTION III : OPTUS

OPTUS BUSINESS & WHOLESALE DIVISIONS

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 AS m	2002 AS m	2003 AS m	2002 AS m		
Business revenue						
Voice	108	101	6.7	327	298	9.8
Data and IP	81	82	-1.3	234	239	-2.1
Satellite	45	39	14.1	122	117	4.7
C1 Defence contract	-	-	-	251	-	nm
Professional services & other	21	21	1.9	73	51	43.7
Total Business revenue	255	244	4.8	1,007	704	43.0
<i>- excluding C1 Defence contract</i>	<i>255</i>	<i>244</i>	<i>4.8</i>	<i>756</i>	<i>704</i>	<i>7.4</i>
Wholesale revenue						
Voice	87	62	40.5	234	207	12.7
Data and IP	28	38	-27.1	89	117	-24.2
Other	2	8	-78.9	3	9	-68.5
	116	108	7.9	325	333	-2.5
Total revenue	372	352	5.7	1,332	1,038	28.4
<i>- excluding C1 Defence contract</i>	<i>372</i>	<i>352</i>	<i>5.7</i>	<i>1,082</i>	<i>1,038</i>	<i>4.2</i>
Operational EBITDA⁽²⁾	97	69	41.0	301	209	43.8
<i>- EBITDA margin</i>	<i>26%</i>	<i>20%</i>		<i>23%</i>	<i>20%</i>	
Operational EBITDA excluding C1 Defence contract⁽²⁾	97	73	34.1	270	213	26.8
<i>- EBITDA margin excluding C1 Defence contract</i>	<i>26%</i>	<i>21%</i>		<i>25%</i>	<i>21%</i>	

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
Business voice minutes (m min)	1,161	1,069	1,221	3,545	3,164	12.1
Wholesale voice minutes (m min)	1,243	851	1,137	3,393	2,506	35.4
As at end of period:						
64k equivalent lines (000s) ⁽³⁾	540	505	531	540	505	7.0
Buildings connected ⁽⁴⁾	10,306	8,694	9,791	10,306	8,694	18.5

Notes:

- (1) This data incorporates the Optus Business and Optus Wholesale divisions.
- (2) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.
- (3) 64k equivalent lines comprises all directly connected voice lines in use, plus the in use portion of directly connected data services, translated to the equivalent number of 64k lines (e.g., a 2 mbs datalink is equivalent to 31 x 64k equivalent lines), but excluding all wholesale lines greater than 128mbs.
- (4) Directly connected buildings include all connections via all access media - fibre, DSL, fixed wireless, satellite and leases.

SECTION III : OPTUS

Overall revenue for Optus Business and Wholesale rose 5.7% to A\$372 million this quarter. This is a strong performance in the context of a highly competitive market, in which Optus remains the only credible alternative to the incumbent. Both divisions grew their top line and announced important customer wins.

The Business division continues to make gains in the corporate market, with revenue growth of 4.8% compared to the same quarter last year. This result was driven by healthy growth in corporate voice revenues, which increased by 6.7% over the previous corresponding quarter, and by 9.8% for the year to date.

The Optus satellite business is performing strongly. Revenue in the third quarter increased by 14% with an initial contribution from C1 transponders leased to Foxtel. There will be a full three months contribution in the fourth quarter.

Optus also announced plans to build two new D series satellites. A significant percentage of capacity on the D-series satellites has been pre-sold by a 15 year contract with Sky TV in New Zealand.

Optus is the leading provider of satellite TV broadcasting services in Australia and New Zealand with over 1 million dishes pointing at Optus satellites.

Overall data and IP revenues for the quarter were down 1.3%, and for the nine months, were down 2.1%. Underlying growth for domestic data and IP continues to be ahead of the market. However, Optus's challenge in the international data market continues, with excess capacity resulting in severe price pressure. In addition, revenue from this segment in the 2002/03 financial year was increased by a one-off contract that has now completed.

Optus's wholesale business reported another strong 7.9% increase in revenue compared to the same quarter last year, following the very difficult market conditions last year. This good performance was assisted by improved domestic and international voice revenues, partly as a result of the introduction of new products.

The combined margin for Business and Wholesale increased by five percentage points to 26% for the quarter, driven by growth in satellite revenue and a close focus on costs.

Capital expenditure was up 10% for the nine months to A\$332 million, from A\$302 million in the corresponding period last year, representing 52% of the Optus total. In this quarter there was a significant payment for Southern Cross cable capacity of A\$107 million.

SECTION III : OPTUS

OPTUS CONSUMER AND MULTIMEDIA DIVISION

	Quarter			Nine Months		YOY Chge %
	31 Dec		YOY Chge %	31 Dec		
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
HFC voice revenue	110	106	3.6	319	295	8.0
Cable Internet & pay TV revenue ⁽¹⁾	63	53	18.4	183	159	15.2
HFC	173	159	8.5	502	454	10.5
Narrowband Internet revenue	30	23	27.8	84	64	31.4
Off network voice revenue	184	157	17.2	525	414	27.0
Total revenue	387	340	13.8	1,111	932	19.3
Operational EBITDA ⁽²⁾	52	14	277.0	132	(23)	nm
- EBITDA margin	14%	4%		12%	-2%	

Key Drivers	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
HFC						
HFC ARPU per month (A\$) ⁽³⁾	113	102	110	108	98	10.4
Local telephony customers ⁽⁴⁾	504	505	506	504	505	-0.2
Other customers ⁽⁴⁾	24	36	24	24	36	-32.0
Total HFC customers	528	541	531	528	541	-2.3
Local telephony bundling rate ⁽⁵⁾	63%	59%	61%	63%	59%	
HFC penetration ⁽⁶⁾	38%	39%	38%	38%	39%	
Internet						
Dial-up delivered over HFC network	102	132	110	102	132	-22.1
Dial-up delivered off network	413	332	414	413	332	24.3
HFC broadband	132	85	122	132	85	54.7
Total Internet customers (000s)	647	549	646	647	549	17.9
Off Network						
Total local call resale customers	496	363	482	496	363	36.7
Total long distance customers	643	561	643	643	561	14.6

Notes:

- (1) Including cable TV, cable interactive TV and broadband HFC Internet.
- (2) In calculating divisional EBITDA, shared costs have been allocated using cost allocation methodologies.
- (3) HFC ARPU has been redefined to include dial-up Internet delivered over the HFC network.
- (4) Local telephony customers includes all customers who take local telephony over the HFC network, whether or not they take any other service over the HFC network (such as pay TV). Other customers include all customers on the HFC network who do not take a local telephony service - that is, customers who take one or more of cable television or broadband Internet.
- (5) Based on customers who are receiving a "bundled benefit" from taking a package of products (local telephony plus at least one of broadband Internet, dial-up Internet or cable TV).
- (6) Based on 1.4 million serviceable homes.

SECTION III : OPTUS

The Consumer's division's EBITDA margin improved again in this quarter to 14%, a ten percentage point improvement on the same quarter last year, generating a positive free cash flow of A\$32 million. For the nine months to date, Consumer & Multimedia generated A\$71 million of free cash flow, an improvement of A\$205 million over the same period last year.

The Consumer division has now delivered positive free cash flow for four consecutive quarters, establishing a sustainable trend. This improvement has been driven by a consistent focus on high value customers.

For the quarter, top line revenue again grew strongly, up 14% compared to the same quarter last year. This reflects continued subscriber growth, but lower ARPU growth compared to the preceding quarter, as the division completes tariff rebalancing.

HFC revenue continued to grow, driven by higher ARPU, which increased by 10% compared to the same quarter last year. This reflected the success of Optus's bundling strategy, with the local telephony bundling rate standing at 63%, compared to 59% a year ago.

The total number of Internet customers increased by 18% compared to the same quarter last year. Broadband Internet customers increased by 55%. Total Internet customers now stand at 647,000. During the quarter, HFC customers continued to replace dial-up Internet access with higher ARPU broadband Internet access. Optus has now announced it will launch its DSL residential packages next month, which will provide similar migration opportunities for off network dial-up customers.

Optus's off-net telephony business continued its strong growth and higher bundling rates of the last year, with revenue increasing by 17% to A\$184 million. Compared to the preceding quarter, the proportion of local telephone customers bundling with dial-up Internet climbed five percentage points to 38%.

The division's cash capital expenditure for the nine months was A\$61 million, 10% of the Optus total and down 46% from A\$111 million last year.

SECTION III : OPTUS**OPTUS OPERATING EXPENSES
(Before Depreciation and Amortisation)**

	Quarter			Nine Months		YOY Chge %
	31 Dec		YOY Chge %	31 Dec		
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
Interconnect	316	277	14.0	896	762	17.5
Outpayments & other leases	54	85	-37.2	155	265	-41.8
Traffic expenses	369	362	1.9	1,050	1,028	2.2
Selling & administrative	378	349	8.4	1,089	1,000	9.0
Staff costs	214	196	9.3	625	561	11.4
Cost of sales	209	182	14.5	798	478	66.8
- excluding C1 Defence contract	209	179	16.7	578	475	21.8
Capitalisation of costs ⁽¹⁾	(27)	(23)	19.5	(80)	(70)	13.7
Repair & maintenance and others	28	39	-28.8	105	118	-11.3
Total	1,171	1,106	5.9	3,587	3,114	15.2
- excluding C1 Defence contract	1,171	1,102	6.2	3,367	3,111	8.2
As a percentage of operating revenue (excluding C1 Defence contract):						
Traffic expenses	22%	25%		22%	25%	
Selling & administrative	23%	24%		23%	25%	
Staff costs	13%	13%		13%	14%	
Cost of sales	13%	12%		12%	12%	
Capitalisation of costs ⁽¹⁾	-2%	-2%		-2%	-2%	
Repair & maintenance and others	2%	3%		2%	3%	
	71%	76%		72%	77%	

	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003	2002	2003	2003	2002	
Staff statistics						
Number of employees, at end of period	8,894	8,630	8,741	8,894	8,630	3.1
Average number of employees	8,818	8,590	8,672	8,741	8,457	3.4
Revenue (excluding C1 Defence contract) per employee (A\$'000) ⁽²⁾	188	169	181	539	480	12.3

Notes:

- (1) The bulk of the capitalisation relates to staff cost.
(2) Based on average employee numbers.

Continued cost control resulted in operating costs growing at under half the rate of growth in operating revenue. As a percentage of operating revenue, operating costs were five percentage points lower for both the quarter and the nine months to date.

SECTION III : OPTUS

Traffic expenses as a percentage of operating revenue declined by three percentage points compared to the same quarter last year mainly due to lower international outpayment rates. This was partially offset by increases in interconnect costs due to Optus's higher revenue and traffic volumes. Interconnect costs were also affected by changes in product mix, particularly the growth in Consumer & Multimedia's off-network voice revenues.

Selling and administrative costs decreased as a percentage of revenue by one percentage point compared to the same quarter last year. In absolute dollar terms, selling and administration costs increased by 8.4% mainly due to the higher customer acquisition volumes reflected in Optus's 14% revenue growth. Mobile's average subscriber acquisition and retention costs per subscriber fell by 7.9% from A\$190 to A\$175.

Staff costs and employee numbers continued to be carefully controlled, with staff numbers increasing by 3.1%. Staff costs increased by 9.3% compared to the same quarter last year, due mainly to higher provisions for incentive costs and first time employee performance share plan costs totalling A\$9 million.

The increase in cost of sales was mainly due to higher mobile and other equipment sales, partly offset by reduced cable TV programming costs.

SHARE OF RESULTS OF JOINT VENTURE COMPANIES

	Quarter			YOY Chge %	Nine Months		YOY Chge %	
	31 Dec		YOY Chge %		31 Dec			YOY Chge %
	2003 A\$m	2002 A\$m			2003 A\$m	2002 A\$m		
Southern Cross	(4)	10	nm	(3)	6	nm		
Virgin Mobile	-	-	-	-	(1)	nm		
Total	(4)	10	nm	(3)	5	nm		

In the December 2002 quarter, Southern Cross recognised some one-off revenues, which was not repeated in the current quarter.

Equity accounting for Virgin Mobile was suspended since June 2002 because the carrying amount of the investment was reduced to nil.

SECTION III : OPTUS**OTHER INCOME STATEMENT ITEMS****Depreciation and Amortisation**

	Quarter			YOY Chge %	Nine Months		YOY Chge %	
	31 Dec		2002 A\$m		31 Dec			2002 A\$m
	2003 A\$m	2003 A\$m			2003 A\$m	2003 A\$m		
Depreciation of property, plant & equipment	244	254		-3.8	721	706	2.1	
Other amortisation	5	10		-52.5	23	24	-2.9	
	249	264		-5.6	744	730	1.9	
Amortisation of goodwill	1	1		-14.3	2	2	-	
Depreciation as a percentage of operating revenue (excluding C1 Defence contract)	15%	18%			16%	18%		

Depreciation continued to decline as a percentage of operating revenue, reflecting continued careful capital expenditure management.

Net Finance Expense

	Quarter			YOY Chge %	Nine Months		YOY Chge %	
	31 Dec		2002 A\$m		31 Dec			2002 A\$m
	2003 A\$m	2003 A\$m			2003 A\$m	2003 A\$m		
Interest payable to SingTel	14	*		@	46	1	@	
Interest payable to others	47	65		-27.4	140	205	-31.6	
Gross interest on borrowings	61	66		-6.4	187	206	-9.4	
Interest capitalised	(4)	(8)		-50.0	(17)	(22)	-25.0	
Net interest expense	57	58		-0.3	170	184	-7.5	
Interest income	(4)	(1)		@	(15)	(5)	221.3	
Total	53	57		-6.7	155	179	-13.5	

* denotes less than A\$500,000

@ denotes more than 500%

Optus positive cash flow over the last 12 months resulted in lower average debt for the current quarter, compared to the same quarter last year. In consequence, gross interest expense fell by 6.4%. For the nine months to date, net interest expense was 14% lower than the corresponding period.

SECTION III : OPTUS**Exceptional Items**

	Quarter		YOY Chge %	Half Year		YOY Chge %
	31 Dec			31 Dec		
	2003 A\$m	2002 A\$m	2003 A\$m	2002 A\$m		
Adjustment to proceeds from disposal of subsidiary	-	-	-	(23)	-	nm
Provision for international settlement differences	-	-	-	-	(45)	nm
Total	-	-	-	(23)	(45)	-49.3

There were no exceptional items for the current quarter.

Taxation

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 A\$m	2002 A\$m	2003 A\$m	2002 A\$m		
Optus' Australian income tax expense	55	24	125.8	149	62	140.5
Share of joint ventures income tax expense	*	1	nm	3	*	nm
	55	25	119.1	152	62	146.3

@ denotes less than A\$500,000

Optus's Australian income tax expense reflects the Australian tax rate of 30% together with minor variations between accounting and taxable income.

SECTION III : OPTUS

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Nine Months		YOY Chge %
	31 Dec	31 Dec	30 Sep	31 Dec		
	2003 A\$m	2002 A\$m	2003 A\$m	2003 A\$m	2002 A\$m	
Net cash inflow from operating activities						
Profit before tax	181	47	137	467	8	@
Depreciation and amortisation	249	264	249	746	732	1.9
Share of results of associates	4	(10)	1	3	(5)	nm
Exceptional items	-	-	23	23	45	-49.3
Other non-cash items	54	58	52	156	181	-13.4
Non cash items	308	312	325	928	953	-2.7
Operating cashflow before working capital changes	489	360	462	1,396	961	45.2
Changes in operating assets and liabilities	3	30	(3)	(64)	7	nm
Tax paid	(1)	*	*	(2)	*	nm
Net cash inflow from operating activities	490	390	459	1,330	968	37.4
Net cash outflow from investing activities						
Purchases of property, plant and equipment	(280)	(247)	(157)	(634)	(645)	-1.7
Adjustment to proceeds from disposal of subsidiary	-	-	(23)	(23)	-	nm
Others	(23)	(3)	32	13	(2)	nm
Net cash outflow from investing activities	(303)	(249)	(148)	(644)	(647)	-0.4
Net cash outflow from financing activities						
Net increase/(decrease) in loans from SingTel	(522)	815	-	(522)	815	nm
Net increase/(decrease) in other borrowings	429	(893)	(250)	129	(927)	nm
Finance lease payments (excluding interest)	-	(7)	(20)	(97)	(39)	151.4
Net interest paid on borrowings and swaps (including finance lease interest)	(93)	(85)	(270)	(490)	(151)	225.2
	(45)	(76)	(79)	(166)	(220)	-24.4
	(138)	(162)	(349)	(656)	(370)	77.1
Net change in cash and cash equivalents	49	(21)	(39)	31	(49)	nm
Cash and cash equivalents at beginning	39	51	78	58	79	-26.2
Cash and cash equivalents at end	89	30	39	89	30	193.4
Free cash flow⁽¹⁾	210	143	302	697	324	115.2
Cash flow before borrowings⁽²⁾	142	64	231	520	102	409.6
Capital expenditure - accrual basis	256	277	164	524	547	-4.2
Cash capital expenditure to operating revenue (excluding C1 Defence contract)	17%	17%	10%	13%	16%	

* denotes less than A\$500,000

@ denotes more than 500%

SECTION III : OPTUS**Notes:**

- (1) Free cash flow is defined as cash flow from operating activities less cash purchases of property, plant and equipment.
 (2) Cash flow before borrowings is defined as operating cash flows less investing cash flows and interest paid (including finance lease interest).

Cash capital expenditure

	Quarter			Nine Months		
	31 Dec		YOY Chge %	31 Dec		YOY Chge %
	2003 A\$m	2002 A\$m		2003 A\$m	2002 A\$m	
Mobile	70	58	19.4	198	191	3.7
Business & wholesale	179	148	20.6	332	302	10.1
Consumer & multimedia	20	29	-29.7	61	111	-45.5
Other	11	11	-4.4	43	40	5.2
Total	280	247	13.3	634	645	-1.7

Optus continued to deliver strong cash flow growth. Free cash flow for the quarter was A\$210 million, compared to A\$143 million for the same quarter last year. This was achieved through sustained operational growth and careful capital management.

Free cash flow for the nine months to date was A\$697 million, up 115% on the corresponding period's A\$324 million.

Cash capital expenditure for this quarter included a significant payment for Southern Cross cable capacity of A\$107 million. For the nine months ended 31 December 2003, cash capital expenditure was A\$634 million, or 13% of operating revenue excluding the C1 Defence contract, down three percentage points on the same period last year.

Surplus cash flow for the quarter was applied to a reduction in net debt.

SECTION IV: ASSOCIATED AND JOINT VENTURE COMPANIES

**FINANCIAL HIGHLIGHTS
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2003**

- Ordinary profits from associates up 109% to S\$424 million. This included share of Belgacom's 4Q December 2003 results of S\$82 million.
- Belgacom recorded an exceptional pension cost upon transfer of pension obligations to the Belgian State. On a pre-tax basis, the Group's share of this cost amounted to S\$249 million.
- Continued strong growth in contributions from regional mobile associates.
- Group's regional mobile subscribers (including SingTel and Optus) up 37% to 44 million. Proportionate share of subscribers up 39% to 18 million.
- SingPost equity accounted for as an associate from 1 April 2003. Pre-tax earnings contribution of S\$11 million.

FOR THE NINE MONTHS ENDED 31 DECEMBER 2003

- Group's share of pre-tax ordinary earnings from associates doubled to S\$1.06 billion.
- Including one-off exceptional losses of S\$305 million (FY2002/03: S\$234 million gain), the Group's share of pre-tax earnings was down 0.3% to S\$755 million.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

	End Equity Int %	Quarter		YOY Chge %	Nine months		YOY Chge %
		31 Dec			31 Dec		
		2003 S\$m	2002 S\$m	2003 S\$m	2002 S\$m		
Regional mobile associates							
Telkomsel ⁽²⁾	35.0	128	85	51.5	357	195	83.1
AIS ⁽³⁾	21.5	65	49	30.8	195	138	40.9
Globe Telecom ⁽³⁾	40.1						
- share of results		24	19	24.4	83	72	15.2
- share of forex losses		(3)	(3)	10.7	(9)	(4)	119.5
		21	17	26.7	74	68	8.8
Bharti Telecom / Bharti Tele-Ventures ⁽⁴⁾		25	(8)	nm	42	(23)	nm
		238	142	67.8	668	378	76.7
Other SingTel associates							
Belgacom S.A. ⁽⁵⁾	13.02						
- share of results (QTD-July to Sept 03; YTD- Jan to Sept 03)		93	58	59.8	271	175	54.6
- share of results (Oct to Dec 03)		82	-	nm	82	-	nm
		175	58	201.6	353	175	101.4
SingPost ⁽⁶⁾	31.0	11	-	nm	31	-	nm
PT Bukaka ("BSI") ⁽³⁾⁽⁷⁾	40.0	9	-	nm	22	-	nm
New Century InfoComm ("NCIC") ⁽³⁾	24.3	(5)	(5)	11.1	(16)	(15)	2.0
Others		1	(2)	nm	3	(20)	nm
SingTel share of ordinary results		429	193	122.6	1,062	518	105.0
Southern Cross	40.0	(5)	10	nm	(3)	5	nm
Virgin Mobile	31.2	-	-	-	-	(1)	nm
Optus share of ordinary results		(5)	10	nm	(3)	4	nm
Group share of profits before exceptionals		424	203	109.2	1,059	523	102.7
Share of exceptional (losses)/ profits of:							
Bharti							
- effects of Punjab licence expensed		-	-	-	(23)	-	nm
- refund of notional interest on licence fee		-	-	-	8	-	nm
- other		1	-	nm	(2)	-	nm
		1	-	nm	(16)	-	nm
Belgacom							
- pension cost		(249)	-	nm	(249)	-	nm
- provision for diminution in value of long term investment		-	-	-	(13)	-	nm
- gain on disposal of investments		-	-	-	-	250	nm
- other		(8)	-	nm	2	-	nm
		(257)	-	nm	(260)	250	nm
AIS - writeoffs and others		(1)	-	nm	(7)	(11)	-31.8
Telkomsel - impairment charge		(5)	-	nm	(5)	-	nm
Globe - impairment charge and others		-	5	nm	-	(5)	nm
APT Satellite Holdings- impairment charge	20.3	-	-	-	(7)	-	nm
APT Satellite Telecommunications ⁽⁸⁾							
- impairment charge	56.2	-	-	-	(9)	-	nm
		(262)	5	nm	(305)	234	nm
Group share of profits after exceptionals		163	208	-21.8	755	757	-0.3

Notes:

- The statutory accounts of the associates are prepared based on local GAAP. Where applicable, the accounting policies of these associates have been restated to ensure consistency with the accounting policies adopted by the Group.
- SingTel increased its equity interest in Telkomsel to 35% from July 2002.
- These associates have December financial year ends. SingTel equity accounted for share of results of these companies based on the financials for the nine months ended 30 September 2003. One-off transactions between 30 September 2003 and 31 December 2003 which are material are also accounted by the Group in the current nine months.
- SingTel's interest in Bharti consists of a 26.96% equity interest in Bharti Telecom Ltd and a 15.95% equity interest in Bharti Tele-Ventures Ltd, resulting in effective interest in Bharti Tele-Ventures Ltd of 28.46%.
- The effective interest of Belgacom after deducting minority interest is 11.72% (31 Dec 2002: 12.15%).
- SingPost was deconsolidated as a subsidiary from 1 April 2003 following SingTel's divestment of 69% equity interest. Accordingly, SingPost was equity accounted for as an associate from 1 April 2003.
- BSI was re-equity accounted for from quarter ended 31 March 2003.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

- (8) SingTel holds a direct equity interest of 45% and an indirect equity interest of 11.2% in APT Satellite Telecommunications Ltd. The indirect interest was held via SingTel's equity interest of 20.33% in APT Satellite Holdings Limited, which in turn holds 55% of APT Satellite Telecommunications Ltd. As SingTel does not have control over APT Satellite Telecommunications Ltd, the investment is not accounted for as a subsidiary in the Group's books.

In the current quarter, the Group's share of ordinary earnings from its associates more than doubled to S\$424 million, compared to a year ago.

The increase was attributable to the strong performance of the regional mobile associates as well as contributions from BSI and SingPost which were equity accounted for as associates from 1 January 2003 and 1 April 2003 respectively.

Another reason was the equity accounting of Belgacom's 4Q December 2003 results in the current quarter to align its financial period to that of SingTel for consolidation purpose. SingTel's share of Belgacom's 4Q results was S\$82 million (excluding the pension cost which was classified as an exceptional item) on a pre-tax basis.

Including one-off exceptional losses of S\$262 million (3Q FY2002/03: S\$5 million gain), the Group's share of associates' pre-tax earnings was S\$163 million, accounting for 19% (3Q FY2002/03: 41%) of the Group's profit before exceptional items and tax.

PT Telekomunikasi Selular ("Telkomsel")

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with a market share of approximately 51% as at 31 December 2003. Its total subscriber base has increased over 60% to 9.6 million – 1.0 million postpaid and 8.6 million prepaid – from 6.0 million a year before. The increase was 9% compared to the preceding quarter.

SingTel's share of Telkomsel's pre-tax profit for the nine months ended December 2003 of S\$357 million was based on an equity interest of 35% compared to 22.3% for four months up to July 2002 and 35% for five months up to December 2002 in the last corresponding period. A strong operational performance and the strengthening of the Indonesian Rupiah contributed to the strong growth in the Group's share of Telkomsel's earnings.

Telkomsel incurred an asset impairment charge on certain property, plant and equipment that was to be replaced earlier than anticipated. SingTel's share of this exceptional charge in the quarter amounted to S\$5 million.

In view of its strong cash flows, Telkomsel bought back US\$17 million or 11% of its own bonds in the December 2003 quarter.

Belgacom

Belgacom is the leading telecommunications company in Belgium, providing a whole range of mobile, local, long distance and international telephone services, leased lines and data communications. Its mobile subsidiary, Proximus-Belgacom Mobile, is the market leader in Belgium.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

In the current quarter, SingTel's share of Belgacom's 3Q pre-tax profit ended 30 September 2003 increased by 60% to S\$93 million, bolstered by a strengthening of the Euro, higher mobile revenues and lower operating expenses.

SingTel also equity accounted for Belgacom's 4Q December 2003 profit of S\$82 million in the quarter, bringing the total share of pre-tax ordinary results to S\$175 million (see page 50).

In late December 2003, Belgacom transferred all its accrued and future pension fund statutory obligations related to its statutory employees to the Belgian State. SingTel's share of this exceptional pension cost amounted to S\$249 million on a pre-tax basis and S\$148 million after tax and minority interest.

The exceptional gains of S\$250 million from Belgacom for the nine months ended 31 December 2002 comprised a gain on disposal of Belgacom's investment in BEN Nederland, a mobile communications operator in the Netherlands, and a gain on disposal of subsidiary, Belgacom France.

In this quarter, SingTel also recorded as an exceptional gain S\$142 million on the partial disposal of its equity interest in Belgacom and a resultant loss on dilution of S\$90 million from Belgacom's and ADSB's share repurchases. SingTel's effective equity interest in Belgacom after the share repurchases was reduced from 12.15% to 11.72%.

Advanced Info Service ("AIS")

AIS is the largest mobile communications operator in Thailand. As at 31 December 2003, it was also the third largest listed company on the Stock Exchange of Thailand.

SingTel's share of AIS ordinary profits for the quarter increased by 31% to S\$65 million compared to the same quarter last year. This impressive result was attributable to the strong growth in subscriber base as well as effective cost management.

AIS continues to retain its market leader position in the competitive mobile environment with a 60% market share as at 31 December 2003.

Globe Telecom, Inc ("Globe")

Globe is one of the largest mobile communications services provider in the Philippines and is listed on the Philippine Stock Exchange.

For the nine months ended 30 September 2003, Globe's service revenue grew 23% year on year, driven by strong growth in subscribers. For the 30 September 2003 quarter, Globe reported lower pre-tax profits compared to the preceding quarter due to higher operating expenses, increased depreciation and higher financing cost.

As at 31 December 2003, Globe had 8.9 million mobile subscribers, an increase of 35% from a year ago.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

On 30 October 2003, SingTel completed the purchase of 15.64 million common shares of Globe at Peso 680 per share, amounting to S\$339 million. On 12 November 2003, SingTel sold 3.75 million common shares of Globe in the open market at Peso 765 per share to meet demand for Globe shares and increase its liquidity in the market. Consequently, a gain on disposal was recorded in SingTel's exceptional gains for the quarter.

SingTel's equity interest in Globe as at 31 December 2003 was 40.1% compared to 29.1% a quarter ago.

Bharti Group ("Bharti")

Bharti Tele-Ventures is India's leading private sector provider of telecommunications services with approximately 5.5 million mobile customers as at 31 December 2003 (82% prepaid and 18% postpaid), almost double that of a year ago. The company through its subsidiary companies also provides fixed-line, VSAT, Internet services and network solutions. Bharti Tele-Ventures Ltd is listed on the National Stock Exchange, Delhi Stock Exchange and the Stock Exchange, Mumbai.

Bharti today offers mobile services in fifteen (out of twenty-three) licence circles and runs fixed line phone services in five provinces in India. As at 31 December 2003, approximately 91% of India's total number of mobile subscribers resided in Bharti's mobile circles.

Bharti's revenue for the December quarter rose 50% while operating expenses increased by a lower 13%, leading to better operating profit margins of 37% compared to 28% a year ago.

In November 2003, Bharti applied for the grant of licences to provide unified access services (include basic and cellular services) in six new circles. Letters of Intent in respect of these applications have been received from the Licensing Authority.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES**PROFORMA INFORMATION**

The following tables show unaudited proforma proportionate financial information which have been derived from the Income Statements of the Group prepared on a statutory basis and the proportionate share of operating revenue and EBITDA of its associates.

Proportionate presentation is not required by Singapore GAAP and is not intended to replace the financial statements prepared in accordance with Singapore GAAP. However, since associates in which the Group has an interest are not consolidated on a line by line basis, proportionate information is provided as supplemental data to facilitate a better appreciation of the relative contribution from the Group's operations in Australia, Singapore and other regional markets.

Proportionate operating revenue	Quarter			YOY Chge %	Nine Months		YOY Chge %
	31 Dec		YOY Chge %		31 Dec		
	2003 S\$.m	2002 S\$.m			2003 S\$.m	2002 S\$.m	
Group revenue							
Singapore	973	1,171	-16.9	3,021	3,551	-14.9	
Overseas	2,048	1,435	42.7	5,810	3,979	46.0	
	3,021	2,606	15.9	8,831	7,530	17.3	
Proportionate share of operating revenue of associates							
Singapore	55	41	34.2	153	118	29.6	
Overseas	1,437	880	63.4	3,445	2,477	39.1	
	1,492	921	62.1	3,599	2,595	38.7	
Enlarged revenue	4,513	3,527	28.0	12,430	10,125	22.8	
Comprising							
SingTel	973	1,171	-16.9	3,021	3,551	-14.9	
Optus	2,048	1,435	42.7	5,810	3,979	46.0	
Regional Mobile Associates	620	488	27.1	1,794	1,326	35.4	
Belgacom	755	311	142.5	1,465	888	65.0	
Others	117	121	-3.5	340	382	-10.9	
Enlarged revenue	4,513	3,527	28.0	12,430	10,125	22.8	
% of overseas rev to Group rev	68%	55%		66%	53%		
% of overseas rev to enlarged rev	77%	66%		74%	64%		

Based on the enlarged revenue, the contribution of overseas revenue rose by eleven percentage points to 77% in the current quarter, reflecting the success of the Group's overseas diversification efforts.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

Proportionate EBITDA (1)	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$ m	2002 S\$ m		2003 S\$ m	2002 S\$ m	
Operational EBITDA						
SingTel	505	587	-13.9	1,547	1,849	-16.3
Optus	602	354	70.1	1,634	942	73.4
	1,107	941	17.7	3,181	2,791	14.0
Proportionate share of EBITDA of associates						
Regional Mobile Associates	378	244	54.7	1,037	644	60.9
Belgacom	295	124	138.3	600	348	72.2
Singapore	22	8	166.7	64	7	@
Others	27	36	-24.7	87	67	28.9
	722	412	75.1	1,787	1,067	67.4
Compensation from IDA	84	84	-	253	253	-
Total proportionate EBITDA	1,914	1,437	33.1	5,221	4,111	27.0
EBITDA margin on enlarged revenue	42%	41%		42%	41%	
Overseas EBITDA as a % of total EBITDA	68%	53%		64%	49%	

@ denotes more than 500%

Note:

(1) Proportionate EBITDA represents the Group's effective interests in the respective associates' EBITDA. As such, proportionate EBITDA does not represent EBITDA available to the Group.

Proportionate EBITDA increased by 33% on a year on year basis, boosted by a strong 75% increase in EBITDA contribution from the associates.

Overseas EBITDA contributed a significant 68% to the Group's EBITDA for the quarter from 53% in the last corresponding quarter.

Proportionate share of mobile subscribers	Total Number		Pro rata Number		
	31 Dec		31 Dec	31 Dec	30 Sep
	2003	2002	2003	2002	2003
(In 000s)					
SingTel Mobile	1,534	1,555	1,534	1,555	1,518
Optus	5,365	4,537	5,365	4,537	5,073
	6,899	6,092	6,899	6,092	6,591
Regional Mobile Associates					
- AIS	13,239	10,663	2,849	2,298	2,736
- Globe	8,860	6,572	3,548	1,910	2,349
- Telkomsel	9,589	6,011	3,356	2,104	3,078
- Bharti Group	5,501	2,775	1,562	723	1,311
	37,189	26,021	11,315	7,035	9,474
Asia	44,088	32,113	18,214	13,127	16,065
Belgacom	3,707	3,590	434	436	452
Group	47,795	35,703	18,648	13,563	16,517

Note:

(1) Proportionate share of mobile subscribers represents the number of mobile subscribers of an associate multiplied by SingTel's effective percentage ownership in the associate at the respective dates.

The SingTel Group's regional mobile subscriber base (including SingTel and Optus) increased 37% year on year to over 44 million as at 31 December 2003. On a proportionate share basis, the increase was 39% to over 18 million.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES

Cash dividends from associates	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m	2003 S\$m	2002 S\$m		
Regional mobile associates						
AIS	-	-	-	95	10	@
Telkomsel	-	28	nm	77	56	38.8
Globe	-	-	-	21	-	nm
	-	28	nm	193	66	191.4
Belgacom	-	140	nm	72	197	-63.3
SingPost	90	-	nm	225	-	nm
BSI	22	-	nm	36	-	nm
Others	1	3	-67.9	2	7	-68.7
Total	113	170	-33.9	528	270	95.4

@ denotes more than 500%

Dividends from the associates amounted to S\$113 million, 34% lower than the last corresponding quarter due mainly to a one-off special dividend of S\$140 million paid by Belgacom in the last corresponding quarter.

In the current quarter, SingPost made the final S\$90 million payment for the special dividend declared in the previous financial year.

SECTION IV : ASSOCIATED AND JOINT VENTURE COMPANIES**KEY OPERATIONAL DATA**

	Teikomse!	Bharti	AIS	Belgacom	Globe
SingTel's investment:					
Year of initial investment	2001	2000	1999	1996	1993
Effective shareholding (%)	35.0%	28.46%	21.52%	11.72%	40.05%
Investment to date *	S\$1.93 bil	S\$1.13 bil	S\$870 mil	S\$897 mil	S\$757 mil
Closing market share price ⁽¹⁾	NA	INR 105.1	THB 85.0 ⁽⁵⁾ THB 84.5 ⁽⁶⁾	NA	PHP 860
Market capitalisation					
- Total	NA	S\$7.25 bil	S\$10.71 bil	NA	S\$3.73 bil
- SingTel holding	NA	S\$2.06 bil	S\$2.30 bil	NA	S\$1.49 bil
Operational Performance :					
Mobile penetration rate ⁽²⁾	8%	2.1%	35%	81%	24%
Market share ⁽²⁾	51%	25%	60%	52%	41%
Market position ⁽³⁾	#1	#1	#1	#1	#2
Mobile subs ('000)					
- Aggregate	9,589	5,501	13,239	3,707	8,860
- Proportionate	3,356	1,562	2,849	434	3,548
Growth in mobile subs (%) ⁽⁴⁾	60%	98%	24%	3%	35%

* Inclusive of minority interests

Notes:

- (1) Based on closing market price on 31 December 2003, in local currency.
(2) Based on latest data available as at 31 December 2003, except for Globe, which is based on data as at 30 September 2003.
(3) Based on number of cellular subscribers. For Bharti, it is based on number of GSM cellular subscribers only.
(4) Compared against 31 December 2002.
(5) Based on local market price.
(6) Based on foreign market price.

SECTION V: GLOSSARY

"ARPU"	Average revenue per user.
"ATM"	Asynchronous Transfer Mode, a transfer mode in which voice, data and video signals are organised into cells for transmission.
"Associate(s)"	This refers to an associated or joint venture company of the Group.
"Backhaul"	Transmission links connecting frontier stations (submarine cable stations or satellite earth stations) to the domestic network or between frontier stations.
"Bandwidth"	The capacity of a communications link.
"C2C"	C2C Pte Ltd and its subsidiary companies, of which SingTel has an effective equity interest of 59.5%.
"Churn"	The transfer of a customer's telecommunications service from one provider to another.
"DEL"	Direct exchange lines, which are telephone lines connected directly to a telephone switch.
"EBIT"	Earnings before interest and tax.
"EBITDA"	Earnings before interest, tax, depreciation and amortisation.
"GPRS"	General Packet Radio Service, a data packet switching technology that allows information to be sent and received across a mobile network and only utilises the network when there is data to be sent.
"HFC"	Hybrid fibre coaxial cable, a system that has the potential to deliver voice, video and data via fibre optic cable for long haul transmission and via coaxial cable for short haul transmission.
"MMS"	Multimedia messaging service.
"NA"	Not applicable.
"NCS"	National Computer Systems, a SingTel wholly owned subsidiary, and its subsidiary companies.
"NM"	Not meaningful.
"Optus"	SingTel Optus Pty Limited, a SingTel wholly owned subsidiary, and its subsidiary companies.
"QTD"	Quarter-to-date.
"SMS"	Short Message Service.
"Sing GAAP"	Accounting principles generally accepted in Singapore.
"SingTel"	Unless expressly stated, the term refers to SingTel Group excluding Optus.
"Statutory employee"	Statutory employees of Belgacom are persons employed under administrative law status comparable to a civil servant. The employment is governed by a set of rules and regulations that are specific to Belgacom and that are the result of collective bargaining between Belgacom and the trade unions.

CONSOLIDATED BALANCE SHEETS

	As at		
	31 Dec 2003	31 Dec 2002	31 Mar 2003
	(Unaudited)	(Unaudited)	(Audited)
	S\$ million	S\$ million	S\$ million
Current assets			
Cash and cash equivalents	2,011	729	949
Short term investments	481	255	108
Trade and other debtors	2,351	1,887	2,127
Inventories	237	435	383
	<u>5,080</u>	<u>3,305</u>	<u>3,567</u>
Non-current assets			
Intangibles	588	504	521
Goodwill on consolidation	9,878	10,629	10,295
Property, plant and equipment (net)	12,528	13,150	12,725
Associated companies	5,361	4,735	4,846
Joint venture companies	321	279	359
Long term investments	155	336	227
Deferred tax asset	1,001	333	953
Other non-current assets	121	287	177
	<u>29,953</u>	<u>30,253</u>	<u>30,103</u>
Total assets	<u>35,033</u>	<u>33,559</u>	<u>33,671</u>
Current liabilities			
Trade and other creditors	2,587	2,402	2,696
Provisions	19	19	19
Advanced billings	522	497	759
Deferred income	51	-	-
Current income tax	336	399	478
Borrowings (unsecured)	103	559	428
Borrowings (secured)	1,078	291	340
	<u>4,695</u>	<u>4,166</u>	<u>4,719</u>
Non-current liabilities			
Borrowings (unsecured)	8,964	9,058	8,946
Borrowings (secured)	127	1,029	958
Long term advance billings	1,175	1,609	1,195
Other non-current liabilities	311	260	204
Deferred income tax	583	681	603
Deferred income	1,165	1,512	1,426
	<u>12,324</u>	<u>14,148</u>	<u>13,332</u>
Total liabilities	<u>17,019</u>	<u>18,314</u>	<u>18,052</u>
Net assets	<u>18,013</u>	<u>15,245</u>	<u>15,619</u>
Share capital and reserves			
Share capital	2,675	2,674	2,674
Translation reserve	839	(40)	210
Other reserves	14,388	12,212	12,586
Interests of shareholders of			
the Company	17,901	14,846	15,470
Minority interests	113	399	149
	<u>18,013</u>	<u>15,245</u>	<u>15,619</u>

Certain comparatives have been reclassified to conform with current period's presentation.

C2C PTE LTD- KEY INFORMATION

Background

C2C Pte Ltd ("C2C"), a 59.5% owned subsidiary of SingTel, is a provider of undersea fibre optic network services, managing Asia's largest submarine cable network with a design capacity of 7.68 Terabits. The C2C network consists of a 17,000 km intra-Asian undersea cable ring connecting Japan, South Korea, China, Taiwan, Hong Kong, Philippines and Singapore, and a trans-Pacific ring network between Japan and USA.

Activation of traffic on the intra-Asian and trans-Pacific networks commenced in January 2002 and December 2003 respectively.

C2C, like most of its industry peers, continues to operate under an extremely challenging operating environment.

Memorandum Of Understanding On C2C Debt Restructuring

On 12 January 2004, SingTel announced that SingTel and C2C have reached agreement-in-principle with C2C's banking syndicate (the "Lenders") regarding the main commercial terms and conditions of a consensual restructuring of C2C's **US\$650 million** senior secured credit facility.

The terms and conditions of the restructuring have been set out in a Memorandum Of Understanding ("MOU") executed by the parties on 9 January 2004. Closing of the restructuring is conditional upon, inter alia, finalisation of satisfactory documentation.

Under the MOU, amongst other things, the principal amount outstanding of approximately **US\$592 million** and certain other amounts payable under or in connection with the total debt will be structured into 3 tranches as follows :

- (a) the first tranche of approximately **US\$200 million** will be subject to a debt buy-back by C2C from the Lenders at a discount of 45% and retired ("**Retired Debt**").
- (b) Tranche A of approximately **US\$200 million** which has a maturity period of 7 years.
- (c) Tranche B comprises the balance with a maturity period of 12 years.

The security provided for the existing debt i.e. the shares and assets of C2C will continue to be security for Tranche A and B.

The proposed restructuring envisages that funding of up to **US\$225 million** is to be made available to C2C by SingTel. Part of such funding is to be secured and rank pari passu with the Lenders' Tranche A. The **US\$225 million** funding is to be convertible at the option of SingTel into equity in C2C or capacity on the C2C network.

Out of the **US\$225 million** funding, **US\$110 million** is to be made available to C2C for the buyback of the Retired Debt, and the balance **US\$115 million** as a working capital facility available to C2C.

C2C PTE LTD– KEY INFORMATION (continued)**Financials**

The net book value of assets of C2C consolidated in the Group's balance sheet as at 31 December 2003 are as follows:

Cash and bank balances – **US\$8.5 million** (S\$14.5 million) (fixed charge)
 Property, plant and equipment – **US\$1,210 million** (S\$2,055 million) (assignment/fixed charge)
 Other assets – **US\$ 56.1 million** (S\$95.2 million) (assignment/ fixed/floating charge)

As at 31 December 2003, C2C had an outstanding balance of **US\$600 million** (including interest accrued) under the secured financing facility from the Lenders classified as current liabilities in the balance sheet.

In accordance with Singapore GAAP, C2C continues to be consolidated as a subsidiary company in the SingTel Group's books even though its carrying value in SingTel's consolidated accounts is nil as at 31 March 2003.

Summary Income Statements ⁽¹⁾	Quarter			Nine Months		YOY Chge %	
	31 Dec	31 Dec	YOY Chge %	31 Dec	31 Dec		YOY Chge %
	2003 US\$ m	2002 US\$ m		2003 US\$ m	2002 US\$ m		
Operating revenue	15	16	-5.2	45	46	-0.6	
Operational EBITDA	5	3	55.2	13	9	49.4	
Depreciation	(20)	(28)	-27.1	(57)	(80)	-28.3	
EBIT	(15)	(24)	-38.4	(44)	(71)	-37.8	
Net finance expense	(7)	(8)	-14.2	(16)	(25)	-33.5	
Net loss	(22)	(33)	-32.1	(61)	(96)	-36.7	

Note:

(1) After elimination within C2C group of companies.

The results of operations and financial condition of the C2C Group as at 31 December 2003 are prepared on the basis that C2C is a going concern.

OPTUS FINANCIALS IN SINGAPORE DOLLARS

The Optus' contribution to the Group summary income statements (in Singapore dollars) is:

	Quarter		YOY Chge %	Nine-Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m		2003 S\$m	2002 S\$m	
Operating revenue	2,048	1,435	42.7	5,810	3,979	46.0
Operating expenses	(1,447)	(1,091)	32.6	(4,201)	(3,056)	37.5
Other income	1	10	-92.1	25	18	33.7
Operational EBITDA	602	354	70.1	1,634	942	73.4
<i>- EBITDA margin</i>	<i>29.4%</i>	<i>24.7%</i>		<i>28.1%</i>	<i>23.7%</i>	
Share of results of joint ventures	(5)	10	nm	(3)	4	nm
EBITDA	597	364	64.0	1,631	947	72.3
Amortisation of goodwill	(1)	(1)	50.0	(2)	(2)	23.5
Depreciation & amortisation	(307)	(260)	18.1	(871)	(717)	21.5
EBIT	289	103	179.6	758	228	231.9
Net finance expense	(66)	(56)	16.9	(181)	(175)	3.3
Profit before exceptional items	224	47	372.5	577	53	@
Exceptional items	-	-	-	(27)	(44)	-39.4
	224	47	372.5	550	9	@
Taxation	(68)	(25)	172.7	(178)	(61)	193.7
Profit/(loss) after tax	156	22	@	372	(52)	nm

@ denotes more than 500%

OPTUS FINANCIALS IN SINGAPORE DOLLARS (continued)

The Optus' contribution to the Group operating revenue by product/ service (in Singapore dollars) is:

	Quarter		YOY Chge %	Nine Months		YOY Chge %
	31 Dec			31 Dec		
	2003 S\$m	2002 S\$m	2003 S\$m	2002 S\$m		
Operating revenue by product/ service						
Mobile communications	990	675	46.6	2,666	1,898	40.5
National telephone	514	364	41.3	1,417	995	42.4
Data & Internet	243	185	31.0	663	537	23.4
Sale of equipment	126	80	57.1	319	160	99.1
C1 Defence contract	*	-	nm	290	-	nm
International telephone	87	59	46.9	227	198	14.4
Cable television	45	35	28.4	130	110	18.4
IT & engineering services	36	21	68.2	74	50	47.9
Others	9	15	-42.2	25	31	-22.0
Total	2,048	1,435	42.7	5,810	3,979	46.0

* denotes less than S\$500,000

The Optus' contribution to certain Group balance sheet items is:

	As at		
	31 Dec 2003 S\$m	30 Sep 2003 S\$m	31 Mar 2003 S\$m
Property, plant and equipment (net)	7,026	6,561	6,151
Gross debt⁽¹⁾			
Current debt	159	112	492
Non-current debt	3,197	2,616	2,576
Gross debt as reported in balance sheet	3,356	2,728	3,068
Related net hedging liability/ (asset)	199	48	(138)
	3,554	2,776	2,929
Less: cash and bank balances	(113)	(47)	(62)
Net debt⁽¹⁾	3,442	2,730	2,868
	A\$m	A\$m	A\$m
Property, plant and equipment (net)	5,506	5,565	5,774
Gross debt⁽¹⁾			
Current debt	125	95	462
Non-current debt	2,505	2,219	2,418
Gross debt as reported in balance sheet	2,630	2,314	2,880
Related net hedging liability/ (asset)	156	41	(130)
	2,786	2,355	2,750
Less: cash and bank balances	(89)	(39)	(58)
Net debt⁽¹⁾	2,697	2,315	2,692

Note:

(1) Excludes borrowing from SingTel.



Financial results presentation

Q3 FY04: quarter ended 31st December 2003

5th February 2004

Forward looking statements - 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.

"\$" means Singapore dollars unless otherwise indicated.

Asia's leading
communications company



Lee Hsien Yang

President & Chief Executive Officer

Q3 FY04 NPAT pre-goodwill: up 121%

Group performance
on track

NPAT
pre-goodwill

25%

Group free
cash flow**

SingTel – cash
flow engine

Free cash flow*

\$355m

Operational
EBITDA margin

52%

Optus – challenger
focused on returns

Strong revenue
growth (A\$)

14%

Operational
EBITDA margin

29%

Regional mobile –
earnings driver

Regional mobile
customers up

43%

Regional mobile
earnings**

68%

Successful transformation continues

Proportionate EBITDA
side Singapore

68%

Milestones

Belgacom
& others
17%

SingTel
32%

Regional
mobile
20%

Optus
31%

Belgacom IPO on track



C2C debt restructuring
– MOU reached



Temasek placement
increases free float

35%

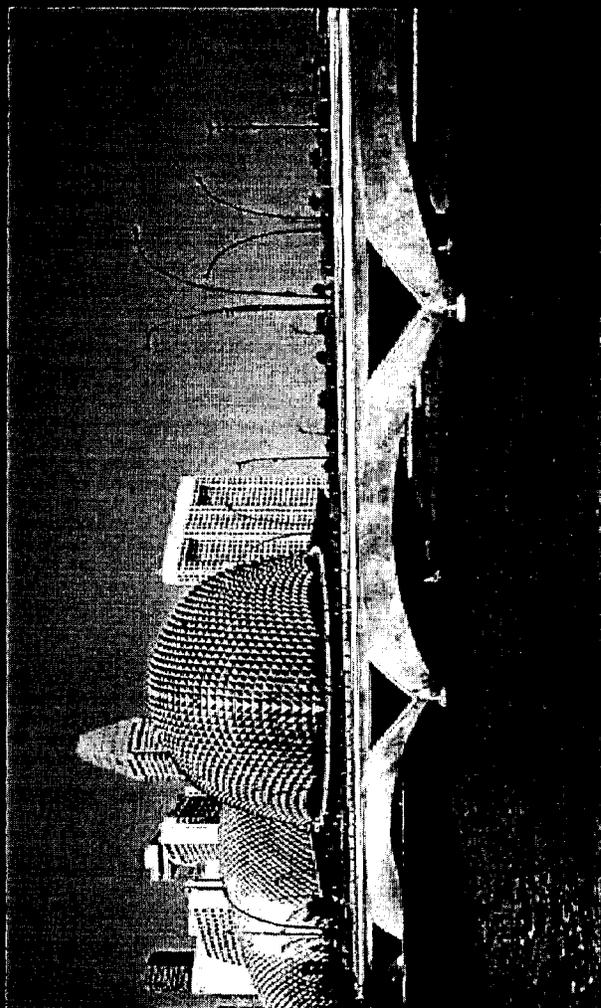
Group Q3 results – strong earnings growth

NPAT pre-goodwill up 121% to \$1,018m

Statutory results (\$m)	3 months to Dec 03	3 months to Dec 02	Increase/ (decrease) %
Operating revenue	3,021	2,606	16%
Operational EBITDA	1,107	941	18%
Operational EBITDA margin	36.6%	36.1%	N/m
Associates - ordinary	424	203	109%
Associates - exceptional	(262)	5	N/m
EBITDA*	1,354	1,233	10%
EBITDA* – excl associates' exceptionals	1,616	1,228	32%
Intercompany loan – FX gain	223	-	N/m
Exceptional items	186	(26)	N/m
NPAT pre-goodwill	1,018	461	121%
NPAT	854	296	188%

* Operational EBITDA+IDA compensation+share of results of associates

SingTel



SingTel

SingTel: Q3 results

Operational EBITDA margin improves to 52%

SingTel (ex-Optus)	3 months to Dec 03	3 months to Dec 02	(Decrease) %	Trend excl SYP & SingPost
Operating revenue	973	1,171	(17%)	(8%)
Operating expenses	(470)	(596)	(21%)	(12%)
Operational EBITDA	505	587	(14%)	(6%)
Operational EBITDA margin	52%	50%	N/m	N/m

SingTel: Q3 revenue trends

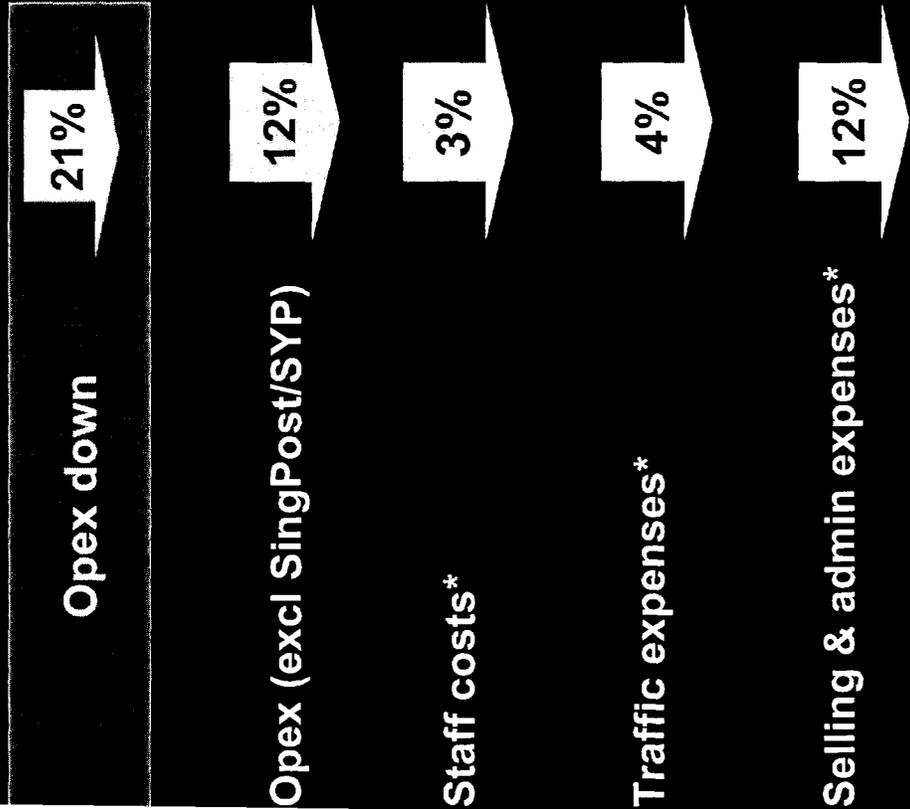
Data and mobile revenues stabilising vs Q2

Q3 FY04 vs Q3 FY03

Data & Internet	Broadband lines growth 88%	Data & Internet revenue 3%
Mobile	ILC revenue 23%	Mobile revenue 1%
International telephone	Lower postpaid churn 1.1%	Int'l Telephone revenue 12%
IT & engineering services	Customer base 1.53m	IT revenue 28%
	Market share 77%	
	Collection rate per minute 13%	
	China IT impacted by SARS IT demand slows in Singapore	

SingTel: careful cost control

Operational EBITDA margin 52%



Strong free cash flow **\$355m**

(\$m)	Q3 FY04	Q3 FY03
Cash from operations	463	511
SingPost special dividend	90	0
Belgacom special dividend	0	140
Other dividends	23	30
Tax	(143)	(179)
Op. cash before interest	433	502
Cash capex	(78)	(130)
Free cash flow**	355	372

* Excluding SingPost and SYP

** Operating cash less cash capex

SingTel

Optus



Optus: 14% revenue growth

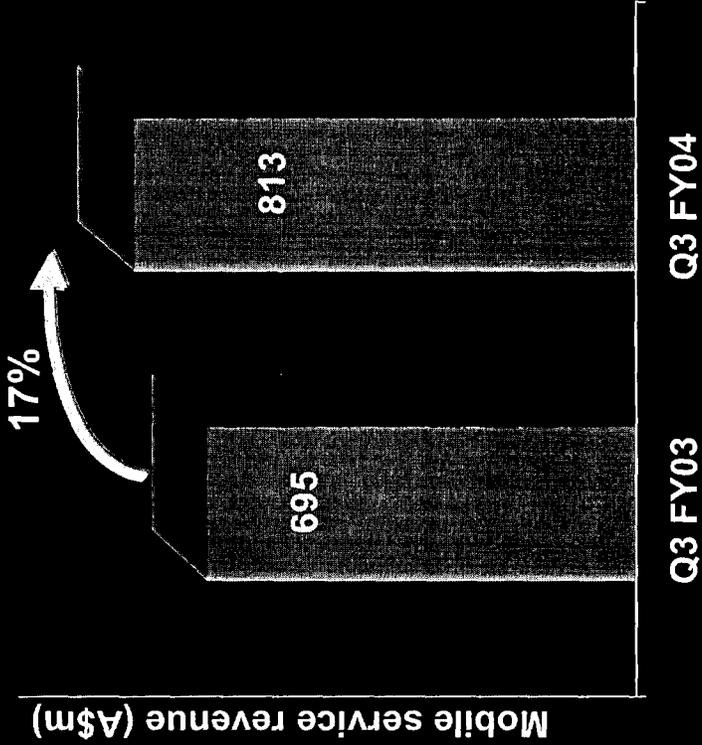
EBITDA margin expands to 29%

Statutory results (A\$m)	3 months to Dec 03	3 months to Dec 02	% Increase
Operating revenue	1,657	1,454	14%
Operational EBITDA	488	358	36%
Operational EBITDA margin	29%	25%	
EBITDA	483	369	31%
EBIT	234	104	124%
NPAT	126	22	

Optus Mobile: total revenues up 18% to A\$915m

Operational EBITDA margin at 37%

Double digit growth in service revenues sustained

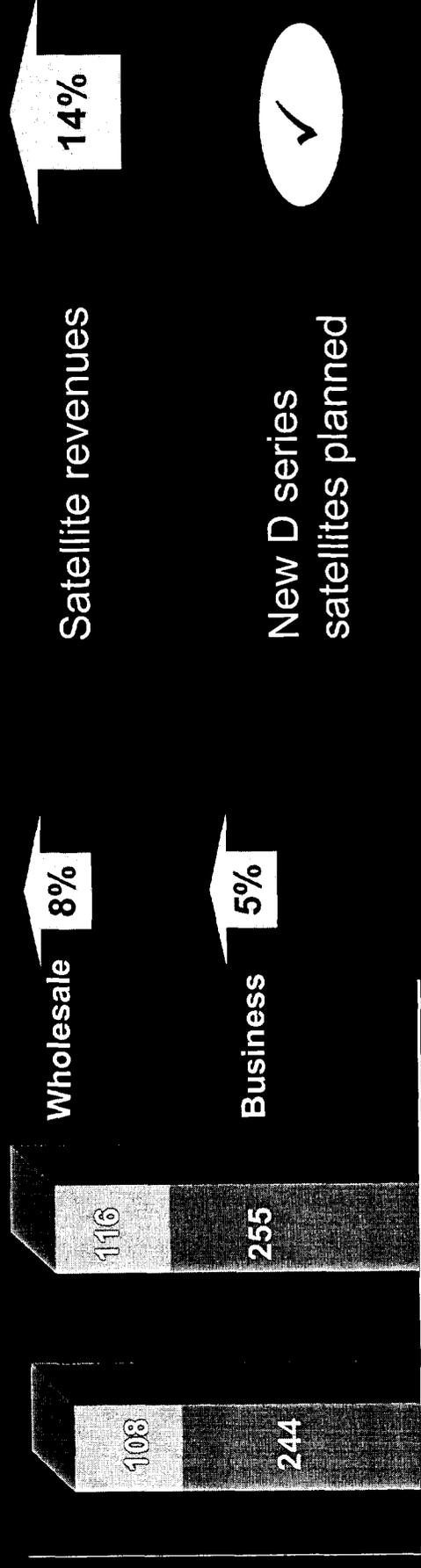


Optus Business and Wholesale: revenue up 6%

Combined margin improves to 26% - EBITDA grows by 34%*

Leading provider of satellite TV broadcasting services

Revenue growth in both divisions

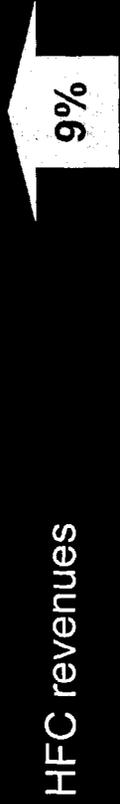
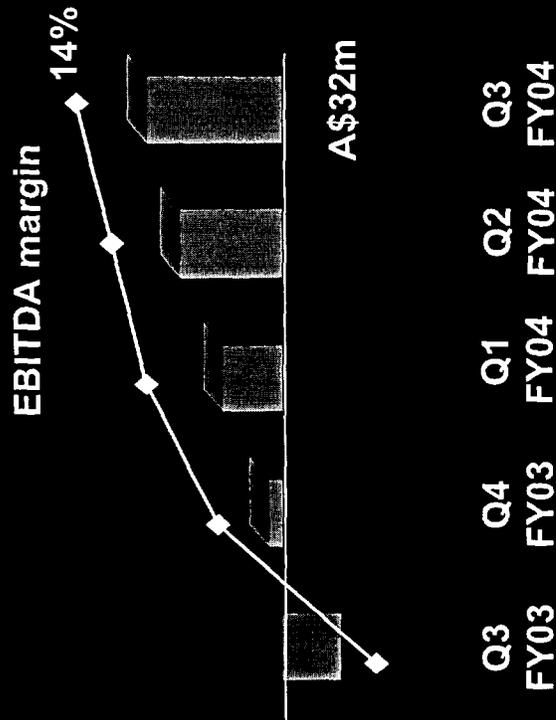


Q3 FY03 Q3 FY04

* Excluding C1 contract costs in prior period

Optus Consumer: cash flow growth continues

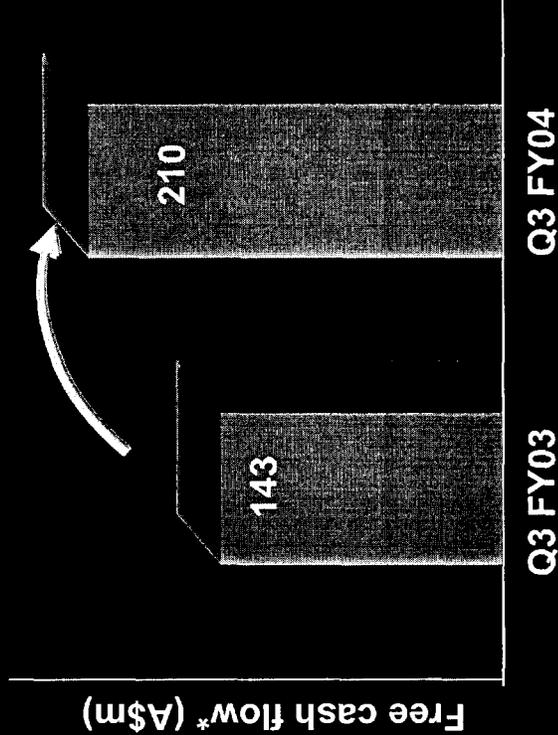
Margin improves and capex declines



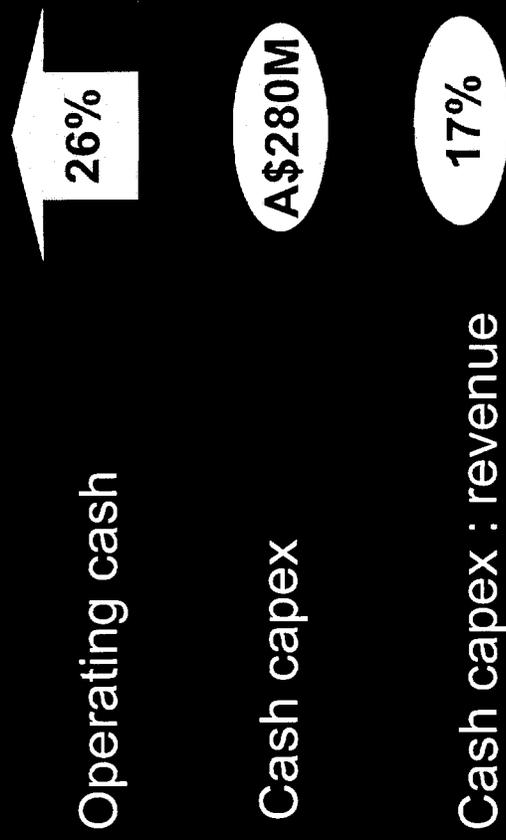
* Operational EBITDA less cash capex

Optus: strong trend of cash flow growth

Free cash flow* **47%**



Operating cash growth and capital management



rating cash less cash capex

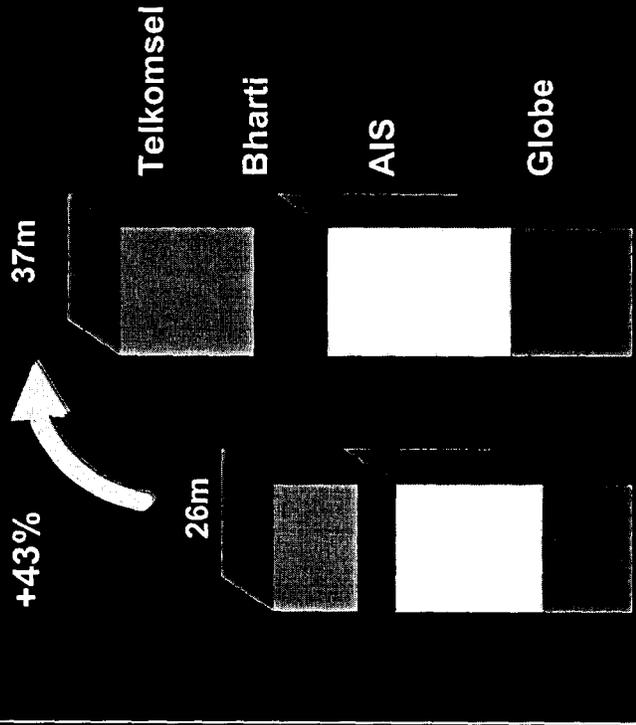


Associates

Regional mobile: customers up 43%

Total mobile base including SingTel & Optus : 44m customers

Rapid growth of customer base



Regional mobile earnings*

68%

(\$m)	3 months to Dec 2003	Increase %
Telkomsel	128	52%
AIS	65	31%
Globe	21	27%
Bharti	25	N/m
Regional Mobile	238	68%

* Excludes exceptionals

Dec 03

Dec 02

Associates : profit & dividend growth

Associates contribution
(before exceptionals)

109%

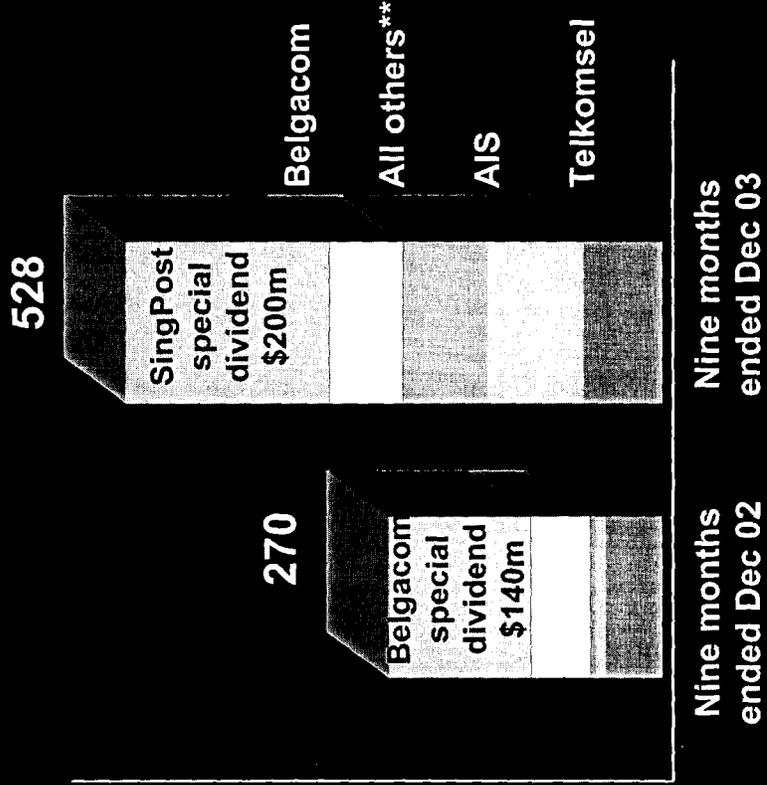
Ordinary dividends
increased sharply YTD

152%

3 mths to
Dec 03 Increase/
(decrease) %

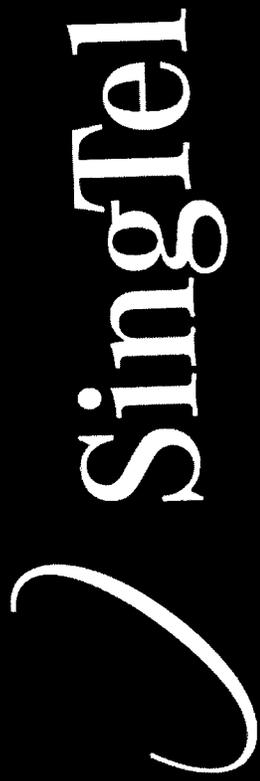
\$m)	3 mths to Dec 03	Increase/ (decrease) %
Regional Mobile	238	68%
Belgacom (Jul-Sep)	93	60%
Belgacom (Oct-Dec)	82	N/m
Singapore Post	11	N/m
BSI (Bukaka SingTel)	9	N/m
Other*	(9)	N/m
Total	424	109%
Exceptionals	(262)	N/m
Total	163	(22%)

Dividends received (\$m)



* Including Optus associates

** includes Globe, BSI, SingPost and all others



Cash flow and balance sheet

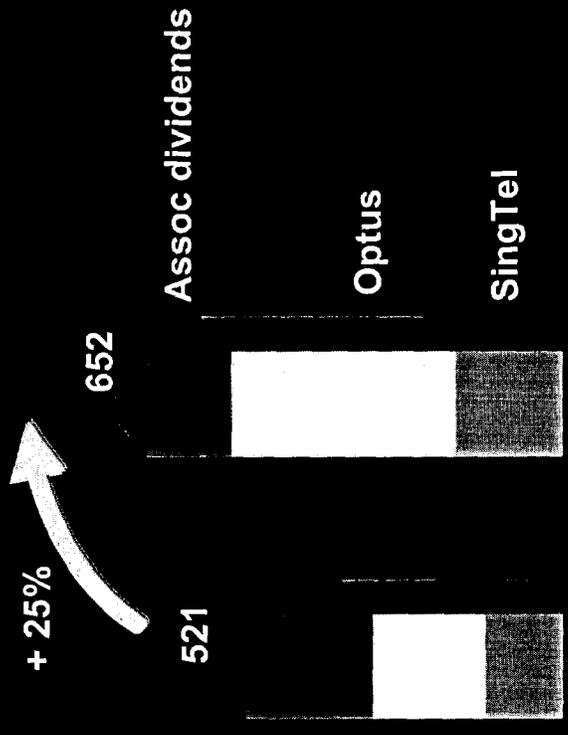


Group free cash flow*: up 25%

Stronger cash flows from international expansion

Modest increase in net debt

\$ million	Q3 FY04	Q3 FY03
Group FCF*	652	521
Interest**	(113)	(157)
Net investment in Assoc (mainly Globe)	(259)	-
Settlement of bond buyback	(502)	-
Others***	(195)	192
Decrease/(increase) in net debt	<u>(417)</u>	<u>556</u>



Q3 FY03 Q3 FY04

* Operating cash less cash capex

** Excluding finance lease repayments

*** Including purchase of short term investments, monetisation of assets, forex movements and finance lease payments

Leverage at comfortable level

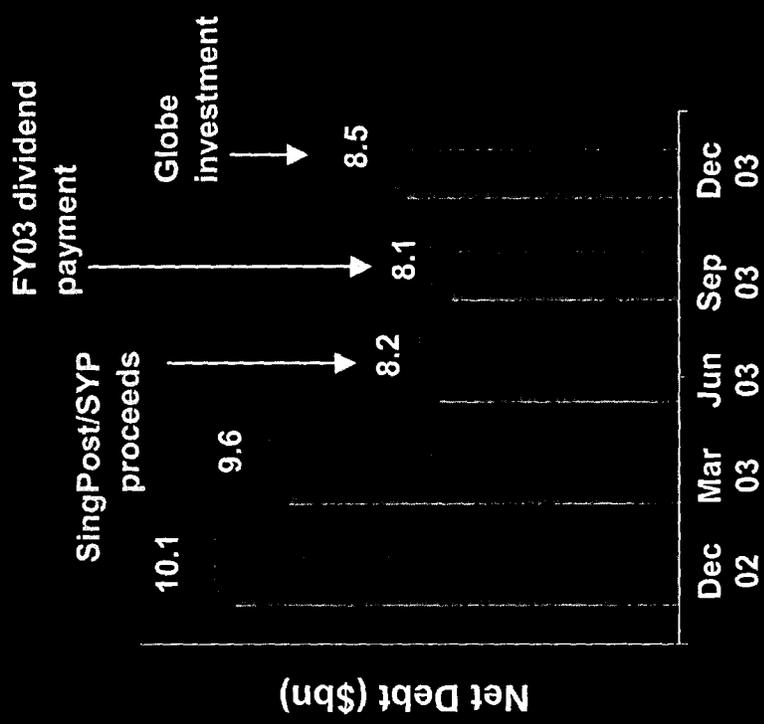
Net debt stabilising **\$8.5bn**

Net gearing **32%**

Net debt: EBITDA **1.5X**

EBITDA: net interest cover **14X**

Dividend payout range increased at Q2 FY03 ✓



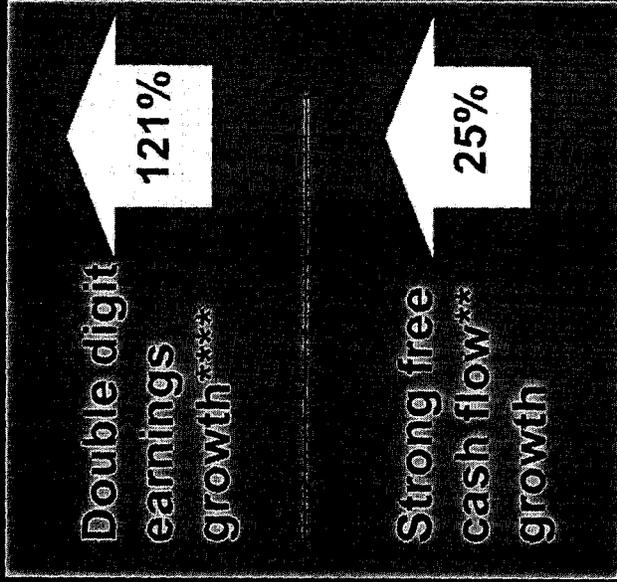
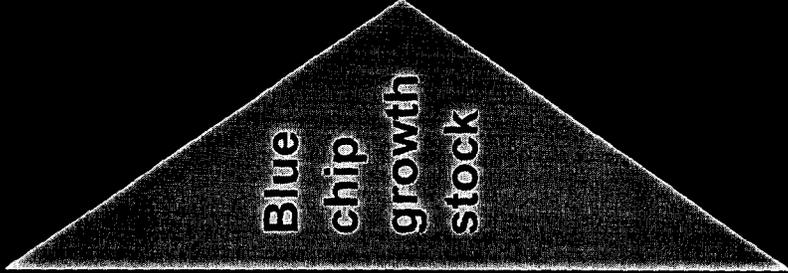
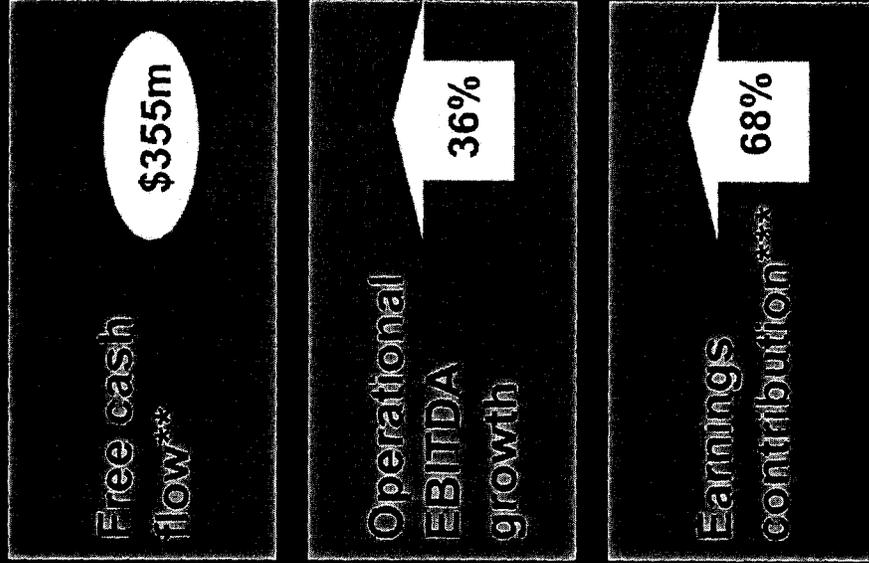
Net Debt (\$bn)

SingTel – “Best Managed Company”*

SingTel

yes' OPTUS

regional mobile



* Euromoney Dec 2003 “8th Asian Companies Survey”

*** Excluding exceptionals

** Operating cash less capex

**** NPAT before goodwill



SEC File No: 82-3622

SINGAPORE TELECOMMUNICATIONS LIMITED

**ANNOUNCEMENT - FINANCIAL RESULTS PRESENTATION
- Q3 FY04 : QUARTER ENDED 31 DECEMBER 2003**

Attached are the slides on Singapore Telecommunications Limited Group's Financial Results for the quarter ended 31 December 2003.



Q3FY04slides.ppt

Submitted by Chan Su Shan (Ms), Company Secretary on 05/02/2004 to the SGX