



Corporate Action Announcement

Citibank, N.A., acting as sponsored depository bank, announces the following:

Date: September 27, 2006

Announcement For: **Capital Reduction**

Description

Company Name:	Singapore Telecommunications Limited
Ticker Symbol:	SNGNY
CUSIP Number:	82929R205
Country:	Singapore
Listing Exchange:	OTC
Ratio (ADR:ORD):	1:10
Underlying Share Symbol:	ST SP
Underlying Share ISIN:	SG1P95920093
DR ISIN:	US82929R205
Custodian:	Citibank, N.A. Singapore

Please be advised that Singapore Telecommunications Limited effected a Capital Reduction in the local market. In Singapore, pursuant to the terms of the Return of Capital, each holder of twenty (20) Existing Shares was entitled to receive nineteen (19) newly issued ordinary shares of Singapore Telecommunications (the "New Shares"), and will receive cash for the share cancelled at the rate of SD 2.74 per share cancelled.

In turn, Citibank as Depository for the Singapore Telecommunications Ltd ADR program effected the Capital Reduction in the U.S.

ADR holders will be required to surrender their old ADSs (cusip# 82929R205) in order to receive the New ADSs (cusip# 82929R304). The fractional ADSs were sold to establish the cash-in-lieu price. Upon receipt of the cash proceeds, Citibank converted the Singapore dollars into US dollars and established the ADR cash proceeds rate.



New Issue:

Security Name: Singapore Telecommunications Limited
CUSIP Number: 82929R304
ISIN Number: SG1T75931496
Ratio ADR:ORD 1:10
Symbol: SGAPY
Effective Date: September 6, 2006

From and after the Effective Date, every one (1) Singapore Telecommunications Ltd. ADS issued and outstanding (cusip 82929R205) represents the right to receive the following upon presentation of their ADRs:

1. **950000173 new Singapore Telecommunications Ltd. ADSs – Cusip 82929R304**
2. **Cash-in-lieu of fractional shares: \$15.057 per share**
3. **Cash Proceeds at the following rate:**

Gross Rate Per ADR: \$0.86033362
Fee: \$0.00249999
Net Rate Per ADR: \$0.85783363

Shareholder Services

Questions may be directed to Shareholder Services toll free at 1-877-248-4237

For further information on Citi's Depository Receipt Services, visit www.citi.com/adr.