

PRESS RELEASE

KEPPEL TELECOMMUNICATIONS & TRANSPORTATION LTD UNAUDITED RESULTS FOR FIRST QUARTER ENDED 31 MARCH 2012

17 April 2012

The Directors of Keppel Telecommunications & Transportation Ltd advise the following results of the Company and of the Group for the first quarter ended 31 March 2012.

These figures have not been audited.

1Q FY2012 RESULTS HIGHLIGHTS

1. Revenue increased to \$33.6 million, 11% higher than the corresponding period in 2011.
2. Profit attributable to shareholders improved 4% to \$14.4 million.
3. Earnings per share improved 4% to 2.6 cents.
4. Net asset value per ordinary share increased 3 cents to 74.0 cents per share during the quarter.

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This press release is also available at www.kepcorp.com and www.keppeltt.com.sg.

KEPPEL TELECOMMUNICATIONS & TRANSPORTATION LTD

(Co Reg No: 196500115G)

(Incorporated in the Republic of Singapore)

FIRST QUARTER 2012 FINANCIAL STATEMENTS

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KEPPEL TELECOMMUNICATIONS & TRANSPORTATION LTD

(Co Reg No: 196500115G)

First Quarter 2012 Financial Statements

1 UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012

The Directors of **Keppel Telecommunications & Transportation Ltd** advise the following unaudited results of the Group for the first quarter ended 31 March 2012.

1(a) GROUP PROFIT AND LOSS ACCOUNT for the first quarter ended 31 March 2012

	1Q 2012 \$'000	1Q 2011 \$'000	+ / (-) %
REVENUE	33,596	30,248	11.1
Less operating expenses	<u>(27,178)</u>	<u>(25,921)</u>	4.8
OPERATING PROFIT	6,418	4,327	48.3
Interest income	124	160	(22.5)
Interest expense	(1,111)	(731)	52.0
Share of results of associated companies and jointly controlled entities	<u>13,412</u>	<u>15,037</u>	(10.8)
PROFIT BEFORE TAXATION	18,843	18,793	0.3
Taxation	<u>(2,854)</u>	<u>(3,360)</u>	(15.1)
PROFIT FOR THE PERIOD	<u>15,989</u>	<u>15,433</u>	3.6
Attributable to:			
Shareholders of the Company	14,417	13,930	3.5
Non-controlling interests	<u>1,572</u>	<u>1,503</u>	4.6
	<u>15,989</u>	<u>15,433</u>	3.6
Earnings per share			
- basic	2.6 cts	2.5 cts	4.0
- diluted	2.6 cts	2.5 cts	4.0

Notes to Group Profit and Loss Account

(i) Operating expenses comprise the following:

	1Q 2012 \$'000	1Q 2011 \$'000	+/(-) %
Purchase of goods and services	7,324	7,275	0.7
Staff costs	7,509	7,785	(3.5)
Share-based payment expenses	260	241	7.9
Depreciation of fixed assets	3,701	2,766	33.8
Other operating expenses	<u>8,765</u>	<u>7,963</u>	10.1
	27,559	26,030	5.9
Other income	<u>(381)</u>	<u>(109)</u>	249.5
	<u><u>27,178</u></u>	<u><u>25,921</u></u>	4.8

(ii) Operating profit is arrived at after charging/(crediting) the following:

	1Q 2012 \$'000	1Q 2011 \$'000	+/(-) %
(Write-back of)/provision for doubtful debts	(30)	11	nm
Foreign exchange (gain)/loss	(86)	62	nm
Loss on disposal of fixed assets	22	13	69.2

nm – not meaningful

(iii) Taxation expense for the current quarter included write-back of over-provision for taxation of \$15,000 (1Q 2011: \$16,000) and provision for deferred taxation of \$10,000 (1Q 2011: Nil) in respect of prior years.

(iv) There was no extraordinary item during the quarter.

1(b) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the first quarter ended 31 March 2012

	1Q 2012 \$'000	1Q 2011 \$'000	+ / (-) %
Profit for the period	<u>15,989</u>	<u>15,433</u>	3.6
Available-for-sale financial assets			
- Fair value changes	(143)	1,531	nm
Foreign currency translation			
- Exchange differences arising on consolidation	(91)	(5,264)	(98.3)
Share of other comprehensive expense of associated companies	<u>(51)</u>	<u>(91)</u>	(44.0)
Other comprehensive expense for the period, net of tax	<u>(285)</u>	<u>(3,824)</u>	(92.5)
Total comprehensive income for the period	<u><u>15,704</u></u>	<u><u>11,609</u></u>	35.3
Attributable to:			
Shareholders of the Company	14,284	10,489	36.2
Non-controlling interests	<u>1,420</u>	<u>1,120</u>	26.8
	<u><u>15,704</u></u>	<u><u>11,609</u></u>	35.3

nm – not meaningful

1(c)(i) BALANCE SHEETS as at 31 March 2012

	Group		Company	
	31.3.2012 \$'000	31.12.2011 \$'000	31.3.2012 \$'000	31.12.2011 \$'000
SHARE CAPITAL	74,565	74,111	74,565	74,111
RESERVES	335,049	320,959	60,944	61,381
SHARE CAPITAL AND RESERVES	409,614	395,070	135,509	135,492
NON-CONTROLLING INTERESTS	26,759	25,339	-	-
CAPITAL EMPLOYED	436,373	420,409	135,509	135,492
Represented by:				
FIXED ASSETS	331,592	311,332	-	-
INVESTMENTS				
Subsidiaries	-	-	72,963	72,962
Associated companies and jointly controlled entities	372,064	354,529	6,621	12,848
Others	965	687	-	-
	373,029	355,216	79,584	85,810
CURRENT ASSETS				
Stocks and work-in-progress	460	460	-	-
Debtors	35,646	35,831	269	4
Amounts owing by holding and related companies	1,827	1,281	41,483	40,931
Amounts owing by associated companies	19,930	2,139	17,240	-
Fixed deposits	38,117	56,393	6,923	11,451
Bank balances and cash	18,676	9,165	31	55
	114,656	105,269	65,946	52,441
LESS: CURRENT LIABILITIES				
Creditors	52,646	40,534	623	561
Amounts owing to holding and related companies	1,633	1,081	396	35
Amounts owing to associated companies	149	31	-	-
Short-term borrowings	55,600	46,010	-	2,160
Taxation	1,318	1,204	2	3
	111,346	88,860	1,021	2,759
NET CURRENT ASSETS	3,310	16,409	64,925	49,682
NON-CURRENT LIABILITIES				
Long-term borrowings	264,696	255,696	9,000	-
Deferred taxation	6,862	6,852	-	-
	271,558	262,548	9,000	-
NET ASSETS	436,373	420,409	135,509	135,492

1(c)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 31.3.2012		As at 31.12.2011	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	55,600	-	46,010

Amount repayable after one year

As at 31.3.2012		As at 31.12.2011	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	264,696	-	255,696

Details of any collateral

Not applicable.

1(c)(iii) BALANCE SHEET ANALYSIS

Group share capital and reserves increased by \$14.5 million to \$409.6 million at 31 March 2012 due mainly to profit attributable to shareholders for the period.

Group total assets of \$819.3 million at 31 March 2012 were \$47.5 million higher than the previous year end. Fixed assets increased by \$20.3 million to \$331.6 million due to fit-out of data centres. Investments in associated companies and jointly controlled entities increased \$17.5 million to \$372.1 million due to equity accounting for share of profits and additional investment in an associate during the period. Current assets increased by \$9.4 million to \$114.7 million due mainly to amounts owing from associated companies, partly offset by decrease in fixed deposits and bank balances.

Group total liabilities of \$382.9 million at 31 March 2012 were \$31.5 million higher than in the previous year end. Creditors increased by \$12.1 million due to fit-out cost of data centres. Higher borrowings by \$18.6 million were due mainly to additional investment and loans to associates. Group total borrowings were \$320.3 million at 31 March 2012.

1(d)(i) CONSOLIDATED STATEMENT OF CASH FLOWS
for the first quarter ended 31 March 2012

	1Q 2012 \$'000	1Q 2011 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit	6,418	4,327
Adjustments for non-cash items:		
Depreciation of fixed assets	3,701	2,766
Loss on disposal of fixed assets	22	13
Share-based payment expenses	260	241
Translation of foreign companies	<u>(285)</u>	<u>(501)</u>
Operating cash flows before changes in working capital	10,116	6,846
Working capital changes:		
Stocks and work-in-progress	-	(723)
Debtors	(668)	942
Creditors	<u>18</u>	<u>(3,807)</u>
Cash flows from operations	9,466	3,258
Interest received	94	127
Interest paid	(980)	(440)
Income taxes paid	<u>(513)</u>	<u>(552)</u>
NET CASH FROM OPERATING ACTIVITIES	<u><u>8,067</u></u>	<u><u>2,393</u></u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary (Note A)	-	(18,149)
Investment in an associated company	(12,430)	-
Purchase of other investment	(282)	-
Capital distribution from other investments	-	2,890
Proceeds from disposal of fixed assets	754	-
Purchase of fixed assets	(12,531)	(11,240)
Dividends received from investments	<u>80</u>	<u>1,420</u>
NET CASH USED IN INVESTING ACTIVITIES	<u><u>(24,409)</u></u>	<u><u>(25,079)</u></u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from share issues	-	102
Proceeds from short-term loans	9,590	7,664
Proceeds from/(repayment of) long-term loans	9,000	(250)
Funds from a related company	-	6,000
Funds to an associated company	(11,013)	-
Proceeds from non-controlling shareholder of subsidiary	<u>-</u>	<u>3,000</u>
NET CASH FROM FINANCING ACTIVITIES	<u><u>7,577</u></u>	<u><u>16,516</u></u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u><u>(8,765)</u></u>	<u><u>(6,170)</u></u>
Cash and cash equivalents as at 1 January	<u>65,558</u>	<u>61,469</u>
Cash and cash equivalents as at 31 March (Note B)	<u><u>56,793</u></u>	<u><u>55,299</u></u>

Notes to Consolidated Statement of Cash Flows

A. Acquisition of a subsidiary

During the financial period, the fair values of net assets and liabilities of the subsidiary acquired were as follows:

	1Q 2012 \$'000	1Q 2011 \$'000
Fixed assets	-	89,084
Debtors	-	4,871
Creditors	-	(6,323)
Bank balances and cash	-	841
Taxation	-	(1,673)
Short-term borrowings	-	(67,810)
	<u>-</u>	<u>(67,810)</u>
Purchase consideration	-	18,990
Less: Bank balances and cash acquired	<u>-</u>	<u>(841)</u>
Cash outflow on acquisition, net of cash acquired	<u>-</u>	<u>18,149</u>

B. Cash and Cash Equivalents

Cash and cash equivalents consist of fixed deposits, bank balances and cash. Cash and cash equivalents in the consolidated statement of cash flows comprise the following balance sheet amounts:

	1Q 2012 \$'000	1Q 2011 \$'000
Fixed deposits	38,117	38,879
Bank balances and cash	18,676	16,420
	<u>56,793</u>	<u>55,299</u>

1(d)(ii) CASH FLOW ANALYSIS

Net cash from operating activities for the quarter was \$8.1 million compared to \$2.4 million in the corresponding quarter of the previous year. This was due mainly to higher operating profit and lower cash outflow from working capital changes, partly offset by higher interest paid.

Net cash used in investing activities for the quarter was \$24.4 million due mainly to investment in an associated company, capital expenditure for fit-out of data centres and purchase of other investment, partly offset by cash inflow on disposal of fixed assets.

Net cash from financing activities for the quarter was \$7.6 million due to proceeds from loans, partly offset by cash outflow on loan to an associated company.

**1(e)(i) STATEMENTS OF CHANGES IN EQUITY
for the first quarter ended 31 March 2012**

	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserve \$'000	Foreign Currency Translation Account \$'000	Share Capital & Reserves \$'000	Non- Controlling Interests \$'000	Capital Employed \$'000
<u>The Group</u>							
Balance at 1 January 2012	74,111	29,816	300,183	(9,040)	395,070	25,339	420,409
Total comprehensive income for the period							
Profit for the period	-	-	14,417	-	14,417	1,572	15,989
Other comprehensive income for the period *	-	(194)	-	61	(133)	(152)	(285)
Total comprehensive income for the period	-	(194)	14,417	61	14,284	1,420	15,704
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Issue of shares	454	(454)	-	-	-	-	-
Cost of share-based payment	-	260	-	-	260	-	260
Total contributions by and distributions to owners	454	(194)	-	-	260	-	260
Total transactions with owners	454	(194)	-	-	260	-	260
Balance at 31 March 2012	74,565	29,428	314,600	(8,979)	409,614	26,759	436,373
<u>The Group</u>							
Balance at 1 January 2011	73,750	11,491	265,719	(9,244)	341,716	26,946	368,662
Total comprehensive income for the period							
Profit for the period	-	-	13,930	-	13,930	1,503	15,433
Other comprehensive income for the period *	-	1,440	-	(4,881)	(3,441)	(383)	(3,824)
Total comprehensive income for the period	-	1,440	13,930	(4,881)	10,489	1,120	11,609
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Issue of shares	309	(207)	-	-	102	-	102
Cost of share-based payment	-	241	-	-	241	-	241
Total contributions by and distributions to owners	309	34	-	-	343	-	343
<u>Changes in ownership interests in subsidiaries</u>							
Acquisition of a subsidiary	-	-	-	-	-	3,000	3,000
Total change in ownership interests in subsidiaries	-	-	-	-	-	3,000	3,000
Total transactions with owners	309	34	-	-	343	3,000	3,343
Balance at 31 March 2011	74,059	12,965	279,649	(14,125)	352,548	31,066	383,614

* Details of other comprehensive income have been included in the consolidated statement of comprehensive income.

	Share Capital \$'000	Capital Reserves \$'000	Revenue Reserve \$'000	Total \$'000
<u>The Company</u>				
Balance at 1 January 2012	74,111	5,093	56,288	135,492
Loss for the period, representing total comprehensive income for the period	-	-	(243)	(243)
<i>Transactions with owners, recognised directly in equity</i>				
Issue of shares	454	(454)	-	-
Cost of share-based payment	-	260	-	260
Total transactions with owners	<u>454</u>	<u>(194)</u>	<u>-</u>	<u>260</u>
Balance at 31 March 2012	<u>74,565</u>	<u>4,899</u>	<u>56,045</u>	<u>135,509</u>
Balance at 1 January 2011	73,750	4,350	46,524	124,624
Profit for the period, representing total comprehensive income for the period	-	-	5,250	5,250
<i>Transactions with owners, recognised directly in equity</i>				
Issue of shares	309	(207)	-	102
Cost of share-based payment	-	241	-	241
Total transactions with owners	<u>309</u>	<u>34</u>	<u>-</u>	<u>343</u>
Balance at 31 March 2011	<u>74,059</u>	<u>4,384</u>	<u>51,774</u>	<u>130,217</u>

1(e)(ii) SHARE CAPITAL

Since the end of the previous period, the Company issued 359,200 shares under the KT&T Restricted Share Plan ("KT&T RSP"). The share capital of the Company as at the end of the period was 553,095,737 (31 December 2011: 552,736,537) ordinary shares.

As at 31 March 2012, the Company is not holding any treasury shares.

Share Options

As at 31 March 2012, there were unexercised options for 1,580,000 (31 March 2011: 1,627,000) of unissued ordinary shares under the Company's Share Option Scheme.

KT&T Restricted Share Plan ("KT&T RSP")

As at 31 March 2012, the number of restricted shares released but not vested was 560,800 (31 March 2011: 334,000) for KT&T RSP.

KT&T Performance Share Plan ("KT&T PSP")

As at 31 March 2012, the number of contingent shares granted and not released was 360,000 (31 March 2011: 180,000) for KT&T Performance Share Plan ("KT&T PSP"). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 540,000 ordinary shares of the Company for KT&T PSP.

2. AUDIT

The financial statements have not been audited nor reviewed by our auditors.

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2011, except as disclosed in paragraph 5 below.

5. CHANGES IN ACCOUNTING POLICIES

The Group has adopted all amendments to Financial Reporting Standards (FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2012. These include Amendments to FRS 107 Disclosures – Transfers of Financial Assets, Amendments to FRS 101 – Severe Hyperinflation and Removal of Fixed dates for First-time Adopters and Amendments to FRS 12 Deferred Tax: Recovery of Underlying Assets. The adoption of these FRS did not have any significant impact on the financial performance or position of the Group.

6. EARNINGS PER ORDINARY SHARE

	GROUP		
	1Q 2012	1Q 2011	+/(-)%
Earnings per ordinary share of the Group for the financial period based on net profit attributable to shareholders:-			
(i) Based on the weighted average number of shares (cents)	2.6	2.5	4.0
- Weighted average number of shares ('000)	552,976	552,582	0.1
(ii) On a fully diluted basis (cents)	2.6	2.5	4.0
- Adjusted weighted average number of shares ('000)	553,877	553,145	0.1

7. NET ASSET VALUE

	GROUP			COMPANY		
	31.3.2012	31.12.2011	+/(-)%	31.3.2012	31.12.2011	+/(-)%
Net asset value per ordinary share based on issued share capital at the end of the financial period/year (\$)	0.74	0.71	4.2	0.25	0.25	-

8. REVIEW OF GROUP PERFORMANCE

Group revenue of \$33.6 million was \$3.3 million or 11% above the corresponding quarter in 2011 due to higher revenue generated by Data Centre and Logistics Divisions.

Operating profit of \$6.4 million increased by \$2.1 million due mainly to improved performance by the Data Centre Division.

Profit before taxation of \$18.8 million remained at the same level compared to the corresponding quarter in 2011. Increase in operating profit was offset by higher interest expense and lower contributions from associated companies.

After taking into account taxation expense and non-controlling interests, the Group's net profit attributable to shareholders of the Company improved 4% to \$14.4 million.

In the opinion of the Directors, no factors have arisen between the end of the current period and the date of this report which would materially affect the results of the Group and the Company for the period just ended.

9. VARIANCE FROM FORECAST STATEMENT

No forecast for the first quarter ended 31 March 2012 was previously provided.

10. PROSPECTS

The Group will strive to maintain high occupancy rates in its logistics facilities in China and Southeast Asia. Recently, a Joint Venture Agreement was signed with the Jilin City Government to develop a food logistics hub in Jilin, China. At the same time, the Group continues to search for new development opportunities to expand the logistics business.

The Group's data centres are currently enjoying strong demand. The data centre fund recently acquired an asset in Europe. The fund will continue its efforts to grow through further acquisitions.

11. DIVIDENDS

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date Payable

Not applicable.

(d) Books Closure Date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared for the quarter ended 31 March 2012.

For the year ended 31 December 2011, Directors have recommended a first and final dividend of 3.5 cents per share tax exempt one-tier for approval by shareholders at the Annual General Meeting to be held on 18 April 2012. If approved, the dividend will be paid on 7 May 2012.

13. SEGMENT ANALYSIS

First Quarter ended 31 March 2012

Business Segments

	Logistics \$'000	Data Centre \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Revenue</u>					
External sales	22,481	11,115	-	-	33,596
Inter-segment sales	535	29	-	(564)	-
Total	23,016	11,144	-	(564)	33,596
<u>Segment results</u>					
Operating profit/(loss)	3,224	4,636	(1,442)		6,418
Interest income	110	5	9		124
Interest expense	(45)	(780)	(286)		(1,111)
Share of results of associated companies and jointly controlled entities	1,082	1,466	10,864		13,412
Profit before taxation	4,371	5,327	9,145		18,843
Taxation	(794)	(143)	(1,917)		(2,854)
Profit for the period	3,577	5,184	7,228		15,989
Attributable to:					
Shareholders of the Company	3,205	4,004	7,208		14,417
Non-controlling interests	372	1,180	20		1,572
	3,577	5,184	7,228		15,989
<u>Other Information</u>					
Segment assets	216,012	341,565	325,997	(64,297)	819,277
Segment liabilities	(55,399)	(286,514)	(105,288)	64,297	(382,904)
Net assets	160,613	55,051	220,709	-	436,373
Investment in associated companies and jointly controlled entities					
	29,514	111,536	231,014		372,064
Additions to non-current assets	2,609	34,983	428		38,020
Depreciation	1,903	1,778	20		3,701
<u>Geographical Information</u>					
	Singapore \$'000	Far East and ASEAN other than Singapore \$'000	Others \$'000		Consolidated Total \$'000
External sales	26,061	7,535	-		33,596
Non-current assets	488,880	103,365	112,376		704,621

First Quarter ended 31 March 2011
Business Segments

	Logistics \$'000	Data Centre \$'000	Investments \$'000	Adjustments/ Eliminations \$'000	Consolidated Total \$'000
<u>Revenue</u>					
External sales	20,788	6,822	2,638	-	30,248
Inter-segment sales	960	-	62	(1,022)	-
Total	21,748	6,822	2,700	(1,022)	30,248
<u>Segment results</u>					
Operating profit/(loss)	3,108	2,705	(1,486)		4,327
Interest income	26	2	132		160
Interest expense	-	(298)	(433)		(731)
Share of results of associated companies and jointly controlled entities	1,965	1,149	11,923		15,037
Profit before taxation	5,099	3,558	10,136		18,793
Taxation	(784)	(132)	(2,444)		(3,360)
Profit for the period	4,315	3,426	7,692		15,433
Attributable to:					
Shareholders of the Company	3,787	2,655	7,488		13,930
Non-controlling interests	528	771	204		1,503
	4,315	3,426	7,692		15,433
<u>Other Information</u>					
Segment assets	244,901	200,249	379,107	(142,060)	682,197
Segment liabilities	(101,480)	(162,088)	(177,075)	142,060	(298,583)
Net assets	143,421	38,161	202,032	-	383,614
Investment in associated companies and jointly controlled entities	56,612	51,821	226,331		334,764
Additions to non-current assets	4,014	7,191	59		11,264
Depreciation	1,415	1,304	47		2,766
<u>Geographical Information</u>					
	Singapore \$'000	Far East and ASEAN other than Singapore \$'000	Others \$'000		Consolidated Total \$'000
External sales	21,556	8,692	-		30,248
Non-current assets	397,356	126,202	64,922		588,480

Notes:

- (a) The Group is organised into business units based on their products and services, and has three reportable operating segments namely Logistics, Data Centre and Investments. The Logistics division provides port operations, integrated logistics services, supply chain solutions, warehousing, distribution, container storage and repairs and freight forwarding services. The Data Centre division provides data centre facilities and co-location services including business continuity and disaster recovery services. The Investments division is the investment holding arm for various entities not within the Logistics and Data Centre divisions.
- (b) Pricing of inter-segment sales is at fair market value.
- (c) Segment assets and liabilities are those used in the operation of each segment.

14. REVIEW OF SEGMENT PERFORMANCE

Logistics Division's revenue of \$22.5 million was \$1.7 million higher than the corresponding period last year. Operating profit at \$3.2 million was higher due to lower overheads. Profit before taxation at \$4.4 million decreased by \$0.7 million due mainly to the disposal of Wuhu Annto in mid 2011. After taking into account taxation and non-controlling interests, profit attributable to shareholders was \$3.2 million.

Data Centre Division's revenue of \$11.1 million increased by \$4.3 million compared to the corresponding period of last year. This was due to higher revenue from its Singapore operations. Operating profit was \$1.9 million higher at \$4.6 million. Profit before taxation of \$5.3 million increased by \$1.8 million. Profit attributable to shareholders improved \$1.3 million to \$4.0 million.

Investments Division's profit before taxation decreased \$1.0 million to \$9.1 million compared to the corresponding period of last year due to lower contributions from associated companies. After taking into account taxation and non-controlling interests, profit attributable to shareholders was \$7.2 million.

15. INTERESTED PERSON TRANSACTIONS

The Group has obtained a general mandate from shareholders of the Company for interested person transactions in the Annual General Meeting held on 19 April 2011. During the financial year, the following interested person transactions were entered into by the Group:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	2012 3 Months \$'000	2011 3 Months \$'000	2012 3 Months \$'000	2011 3 Months \$'000
<u>General Transactions</u>				
Keppel Corporation Limited Group	-	-	384	449
Singapore Telecommunications Limited	-	-	93	415
<u>Treasury Transactions</u>				
Keppel Corporation Limited Group	-	-	35,684	24,850
<u>Management Services</u>				
Keppel Corporation Limited Group	-	-	550	500
<u>Investment Transactions</u>				
Keppel Land Limited Group				
- Capital commitment for the formation of joint venture company, Keppel Data Centres Holding Pte Ltd ("JV Co")	-	21,000	-	-
- Acquisition of Keppel Digihub Limited by the JV Co ⁽¹⁾	-	13,293	-	-
- Disposal of Keppel Datahub Pte Ltd to the JV Co ⁽²⁾	-	2,689	-	-
	-	36,982	36,711	26,214

Notes:

- ⁽¹⁾ Based on the purchase consideration of approximately \$19.0 million for the shares of Keppel Digihub Limited and having regard to the Company's 70% interest in the JV Co, the value of the transaction to which the Company is considered to be at risk pursuant to Rule 909 of the Listing Manual is approximately \$13.293 million.
- ⁽²⁾ Pursuant to the sale of shares in Keppel Datahub Pte Ltd to the JV Co for a consideration of approximately \$9.0 million, the Company's effective interest in Keppel Datahub Pte Ltd has decreased by 30% to 70%. Accordingly, the value of the transaction to which the Company is considered to be at risk pursuant to Rule 909 of the Listing Manual is approximately \$2.689 million.

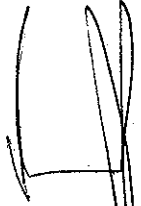
BY ORDER OF THE BOARD

CAROLINE CHANG/KELVIN CHUA
Company Secretaries
17 April 2012

Confirmation by the Board

We, TEO SOON HOE and REGGIE THEIN being two directors of Keppel Telecommunications & Transportation Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the first quarter 2012 financial statements to be false or misleading in any material respect.

On behalf of the board of directors



TEO SOON HOE
Chairman

Singapore, 17 April 2012



REGGIE THEIN
Director