ST Teleport Pte Ltd

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12 June 2001

Mr Andrew Haire
Senior Director (Regulation & Operations)
Info-comm Development Authority of Singapore
8 Temasek Boulevard
#14-00 Suntec Tower Three
Singapore 038988

via fax no. 211-2116

Dear Mr Haire

ST Teleport would like to submit written comments on the consultative document and the draft Accounting Separation Guidelines as follows:

We feel that satellite communication should be categorised as a service segment in its own right and not to be lumped into "Other Activities" for Detailed Segment Reporting. We understand that SingTel is presently required to provide a separate P&L accounts on its satellite broadcast business to IDA and so our suggestion will not put undue burden on SingTel.

As SingTel's satellite business can be grouped mainly into: 1) VSAT for voice/data, 2) video services (include uplink and downlink of video signals), 3) Immarsat services and 4) Space Segment (ST-1), we propose that the dominant carrier be required to submit detailed reporting for the above 4 sub-segments.

From our experience, we know that SingTel can package its other services like ST-1 or Apstar space capacity, STIX, local loop, and videosonic link services with the teleport services for video and voice/data whilst ST Teleport can only provide teleport services on its own with the rest of the network elements procured from satellite operators, SingTel, Starhub and others, as the case may be. There have been instances where our staff internally alleged that SingTel was engaged in cross subsidising its teleport service. Of course, these are just allegations with no concrete evidence and may not be true, so ST Teleport is heartened by IDA's current initiative to institute more transparent accounting system.

For any clarification, please contact Ms Mellisa Lim at tel. no. 7707113 or at email mellisa@STTeleport.com.

Yours sincerely

Kwee Ngum Sing General Manager

(Softcopy of this letter emailed to soon wei san@ida.gov.sg)

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