

A decorative graphic on the left side of the slide, featuring a vertical green line. To the left of the line, there is a green arrow pointing up and to the right, and a yellow arrow pointing down and to the right. To the right of the line, there is a yellow arrow pointing up and to the right.

# StarHub 2Q & 1H-2011 Results

## 4 August 2011

## Forward-looking Statements

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*The following presentation may contain forward-looking statements by StarHub Ltd (“StarHub”) relating to financial trends for future periods.*

*Some of the statements in this presentation which 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. These forward-looking statements are based on StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside StarHub’s control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and uncertainties. Because actual results could differ materially from StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about the future, such forward-looking statements are not and should not be construed as a representation, forecast or projection of future performance of StarHub. It should be noted that the actual performance of StarHub may vary significantly from such statements.*

# Management Team



**TAN Tong Hai**  
**COO**



**Neil MONTEFIORE**  
**CEO**



**KWEK Buck Chye**  
**CFO**

**2Q2011 Highlights**

**Financial Overview**

**Business Highlights**

**FY2011 Outlook**



# 2Q2011 Highlights

Financial Overview

Business Highlights

FY2011 Outlook

## ➤ Overview (2Q-2011 vs 2Q-2010)

### ➤ Financial:

- EBITDA increased 16%
- EBITDA margin improved 4.4% pts to 30.4%
- NPAT rose 34%








### ➤ Operational:

- Mobile growth:
  - ✓ Post-paid revenue (4%)
  - ✓ Total customer base (5%)
  - ✓ Low churn (1.0%)
- Pay TV business stable
- Residential broadband customer base grew 6%

## Key Financial Highlights

\$ million	2Q-2011	2Q-2010	Change	1H-2011	1H-2010	Change
Operating Revenue	<b>569</b>	569	0%	<b>1,127</b>	1,126	0%
Service Revenue	<b>539</b>	544	-1%	<b>1,070</b>	1,072	0%
EBITDA	<b>164</b>	141	16%	<b>323</b>	260	25%
EBITDA Margin	<b>30.4%</b>	25.9%	4.4% pts	<b>30.2%</b>	24.2%	6.0% pts
Taxation	<b>(14)</b>	(13)	-2%	<b>(30)</b>	(23)	-31%
Net Profit After Tax	<b>78</b>	58	34%	<b>147</b>	101	46%
Capex Cash Payments	<b>42</b>	45	6%	<b>84</b>	93	10%
% of Capex to Revenue	<b>7</b>	8	1% pts	<b>7</b>	8	1% pts
FCF / Fully Diluted Share	<b>8.1¢</b>	6.4¢	27%	<b>15.8¢</b>	13.3¢	18%
Net Debt to 2010 EBITDA ratio	<b>0.80x</b>	0.97x	0.17x	<b>0.80x</b>	0.97x	0.17x

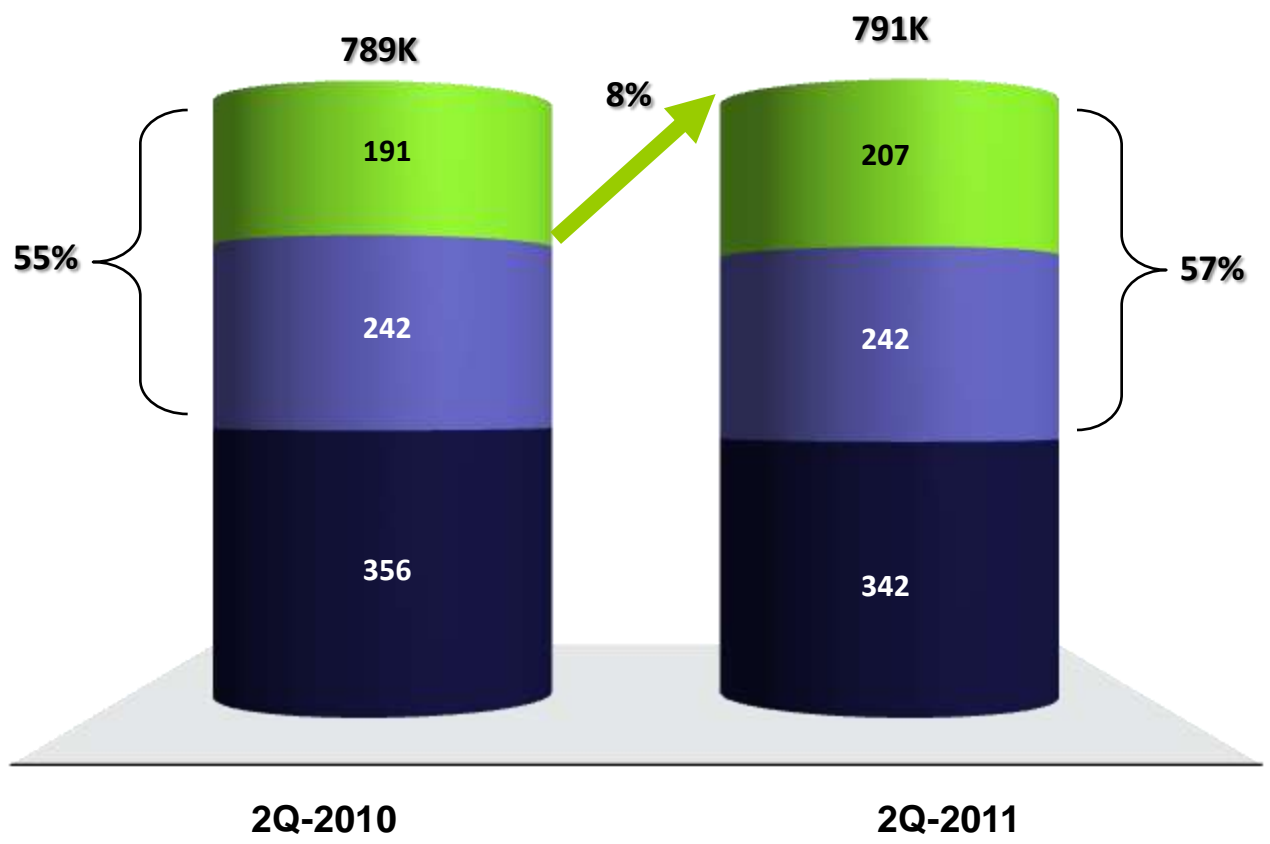
# Business Expansion (2Q-2011 vs 2Q-2010)

Line of Business	Service Revenue	Customer Base
<b>Mobile</b> (53% of revenue mix)	 <b>3%</b> Pre-paid (-3%) Post-paid (4%)	 <b>5%</b> Pre-paid (4%) Post-paid (6%)
<b>Pay TV</b> (16% of revenue mix)	 <b>(16)%</b>	 <b>1%</b>
<b>Broadband</b> (11% of revenue mix)	 <b>3%</b>	 <b>6%</b>
<b>Fixed Network Services</b> (15% of revenue mix)	 <b>2%</b> Data & Internet (1%) Voice (9%)	



# Hubbing Scorecard

Expanding Hubbing Households ('000)



- Single Service HH
- Double Service HH
- Triple Service HH





2Q2011 Highlights

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2Q2011 Highlights

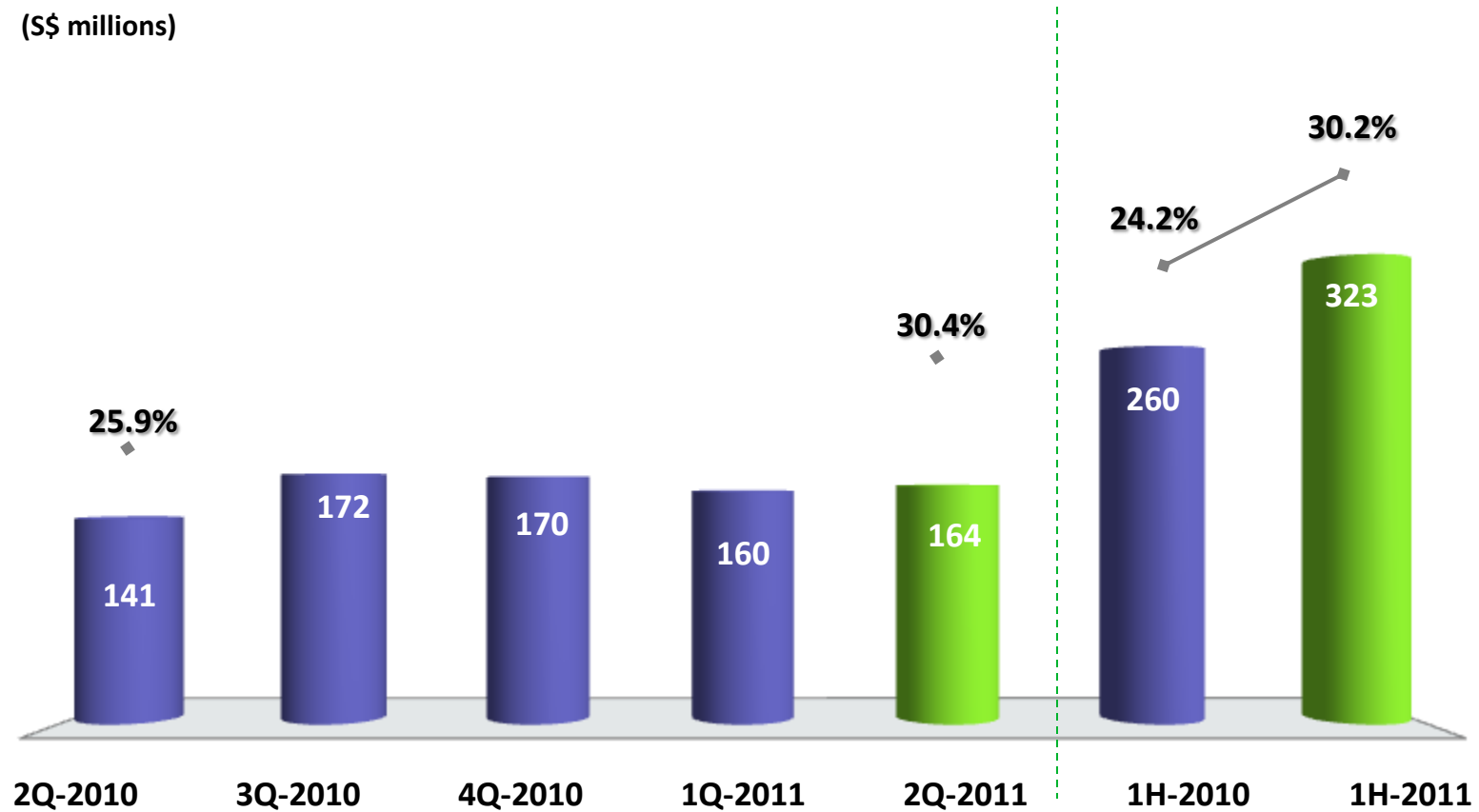
**Financial Overview**

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# EBITDA & EBITDA Margin

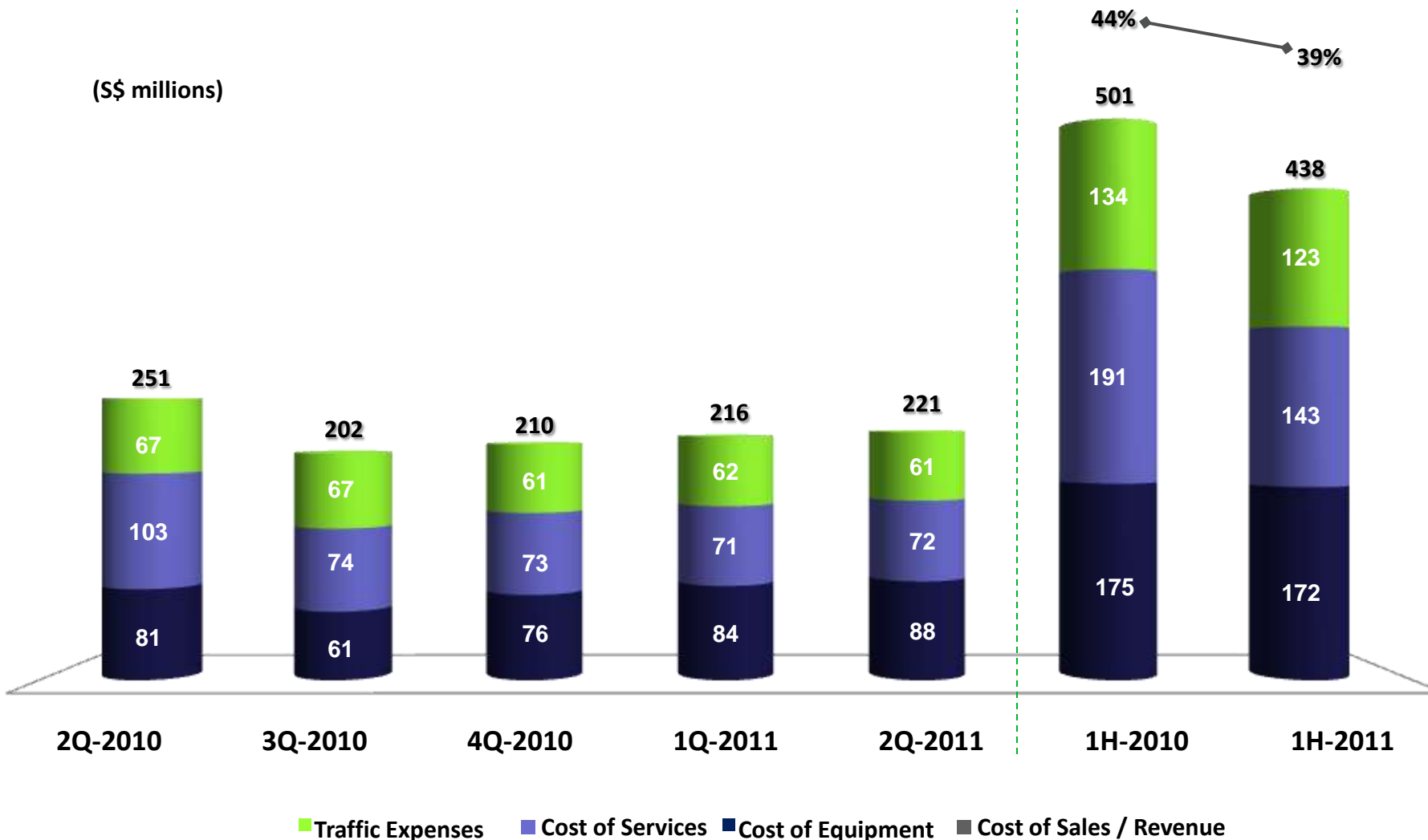
(\$ millions)



◆ EBITDA Margin as % of Service Revenue

# Cost Of Sales

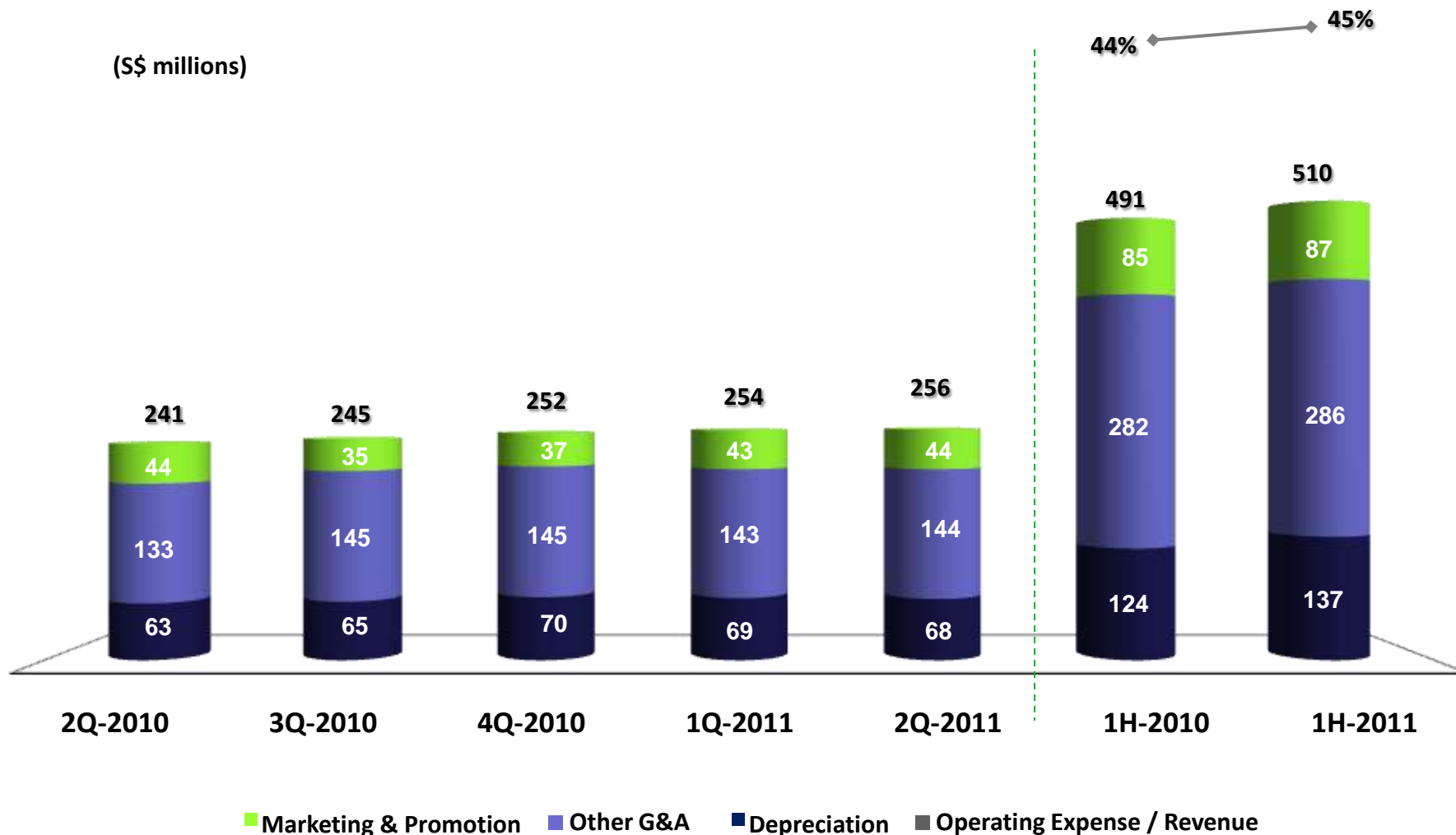
(\$ millions)



Note: Numbers may not add up due to rounding.

# Other Operating Expenses

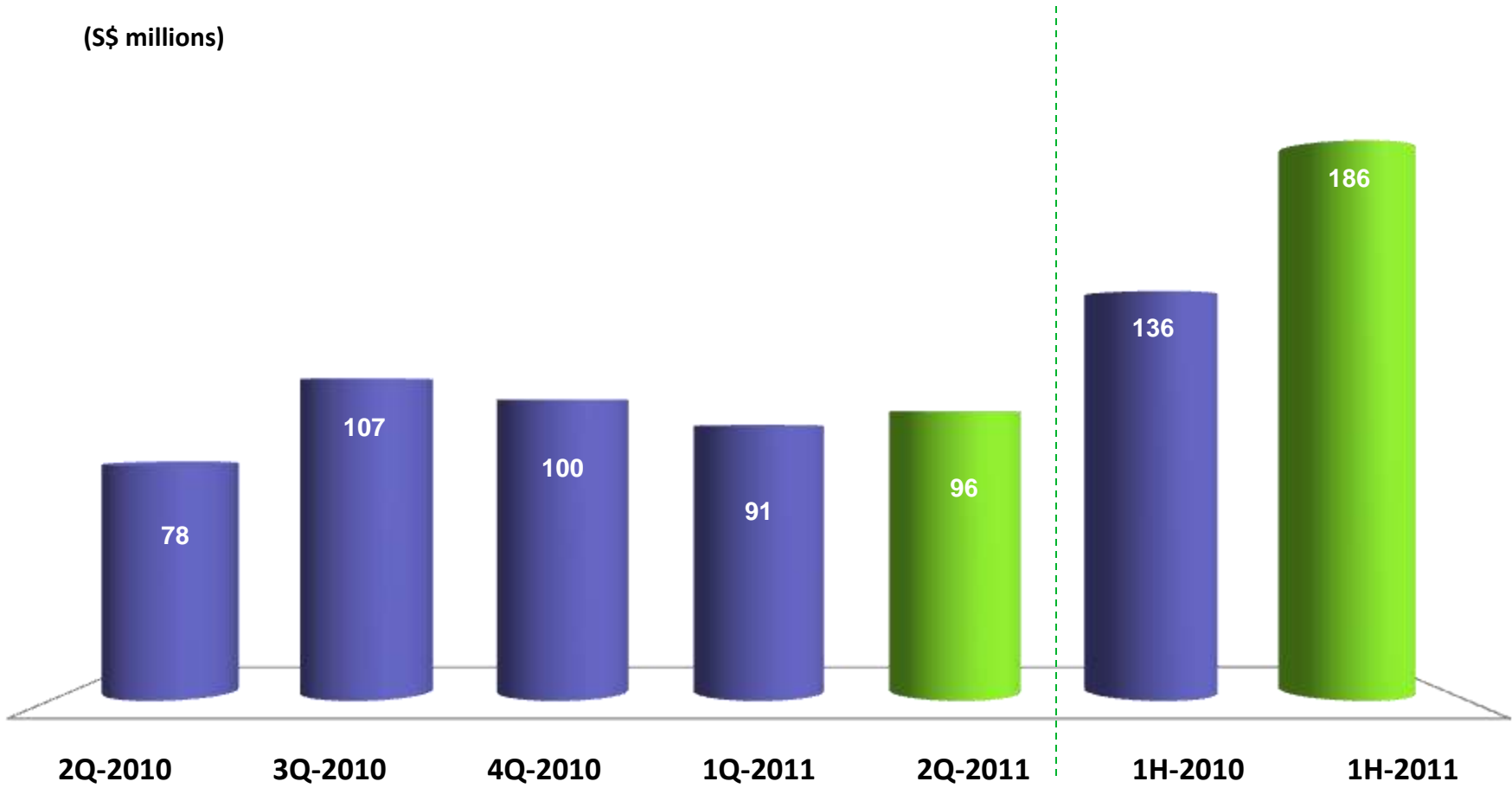
(S\$ millions)



Note: Numbers may not add up due to rounding.

# Profit From Operations

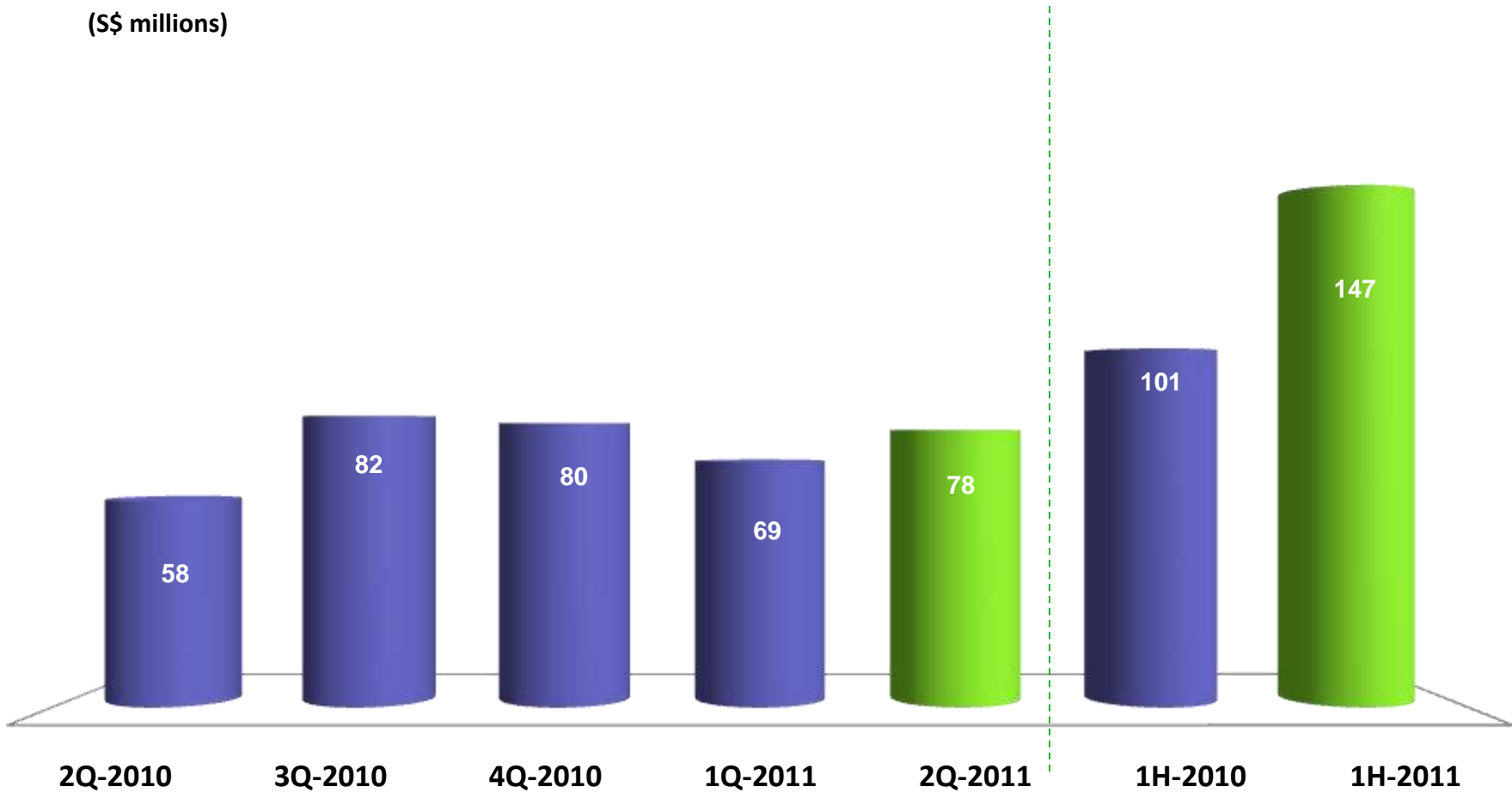
(S\$ millions)



Note: Numbers may not add up due to rounding.

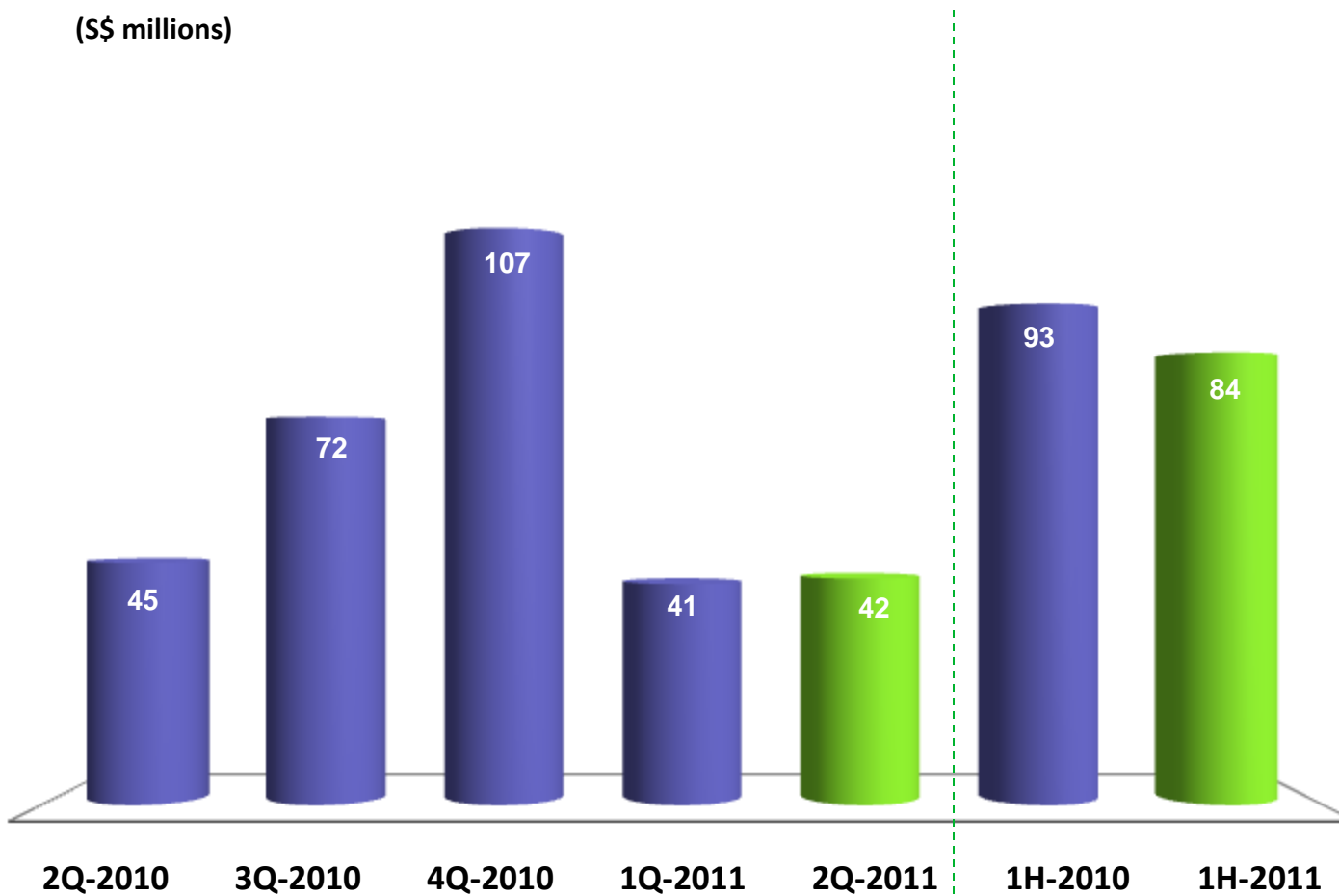
# Net Profit After Tax

(S\$ millions)



# Capex (cash payments)

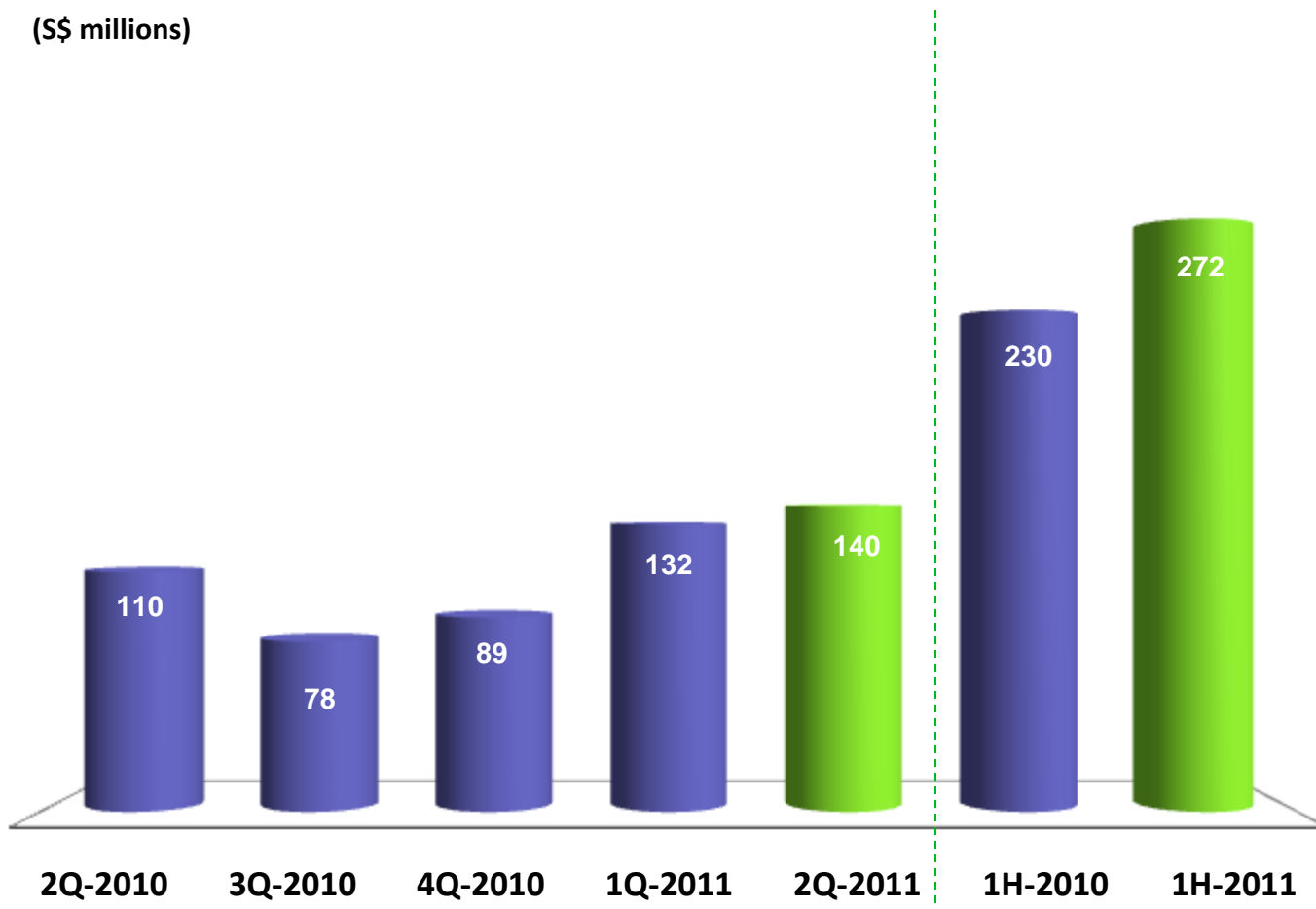
(\$ million)





# Free Cash Flow

(S\$ millions)





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**Business Highlights – Mobile**

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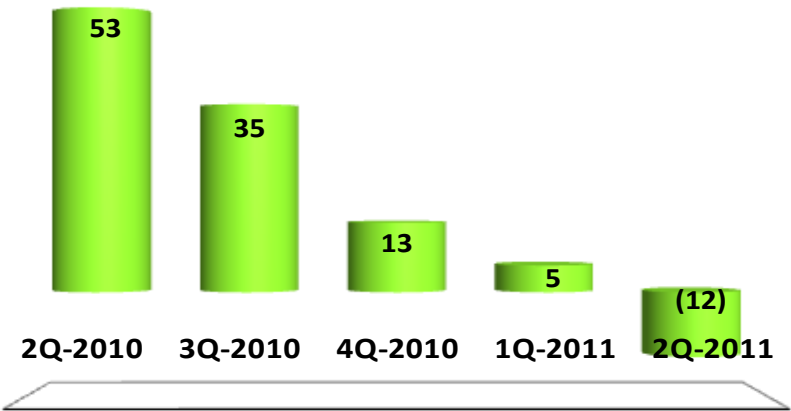
## Mobile (2Q-2011 vs 2Q-2010)

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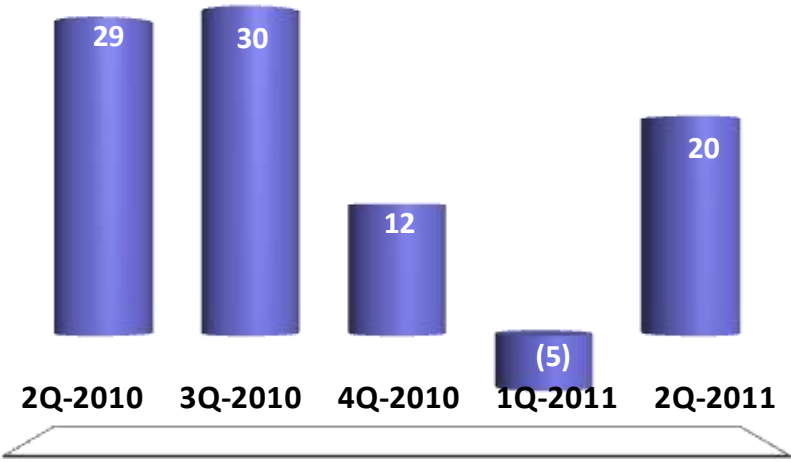
- **Added 97k customers**
- **Post-paid customer base expanded 6%**
- **Post-paid ARPU increased \$1 to \$73**

# Mobile Net Adds

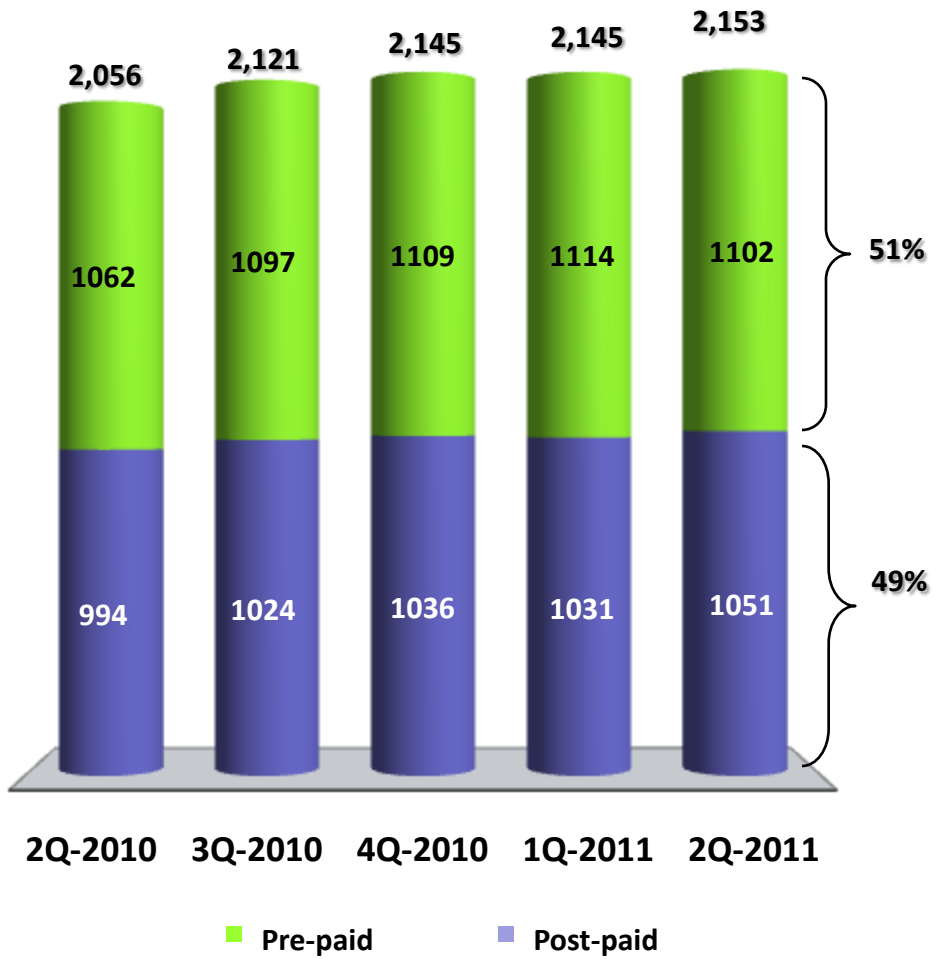
Pre-paid Net Adds ('000)



Post-paid Net Adds ('000)

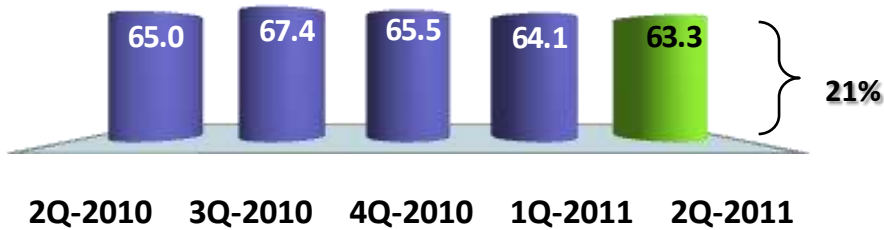


Customers ('000)

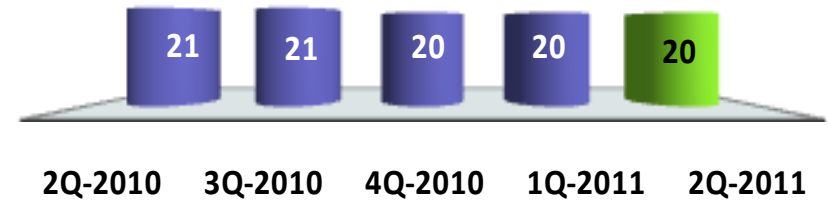


# Mobile Revenue & ARPU

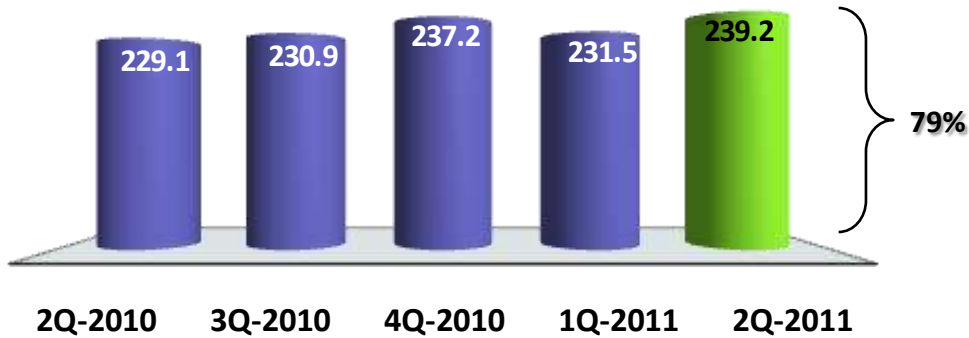
Pre-paid Revenue (S\$M)



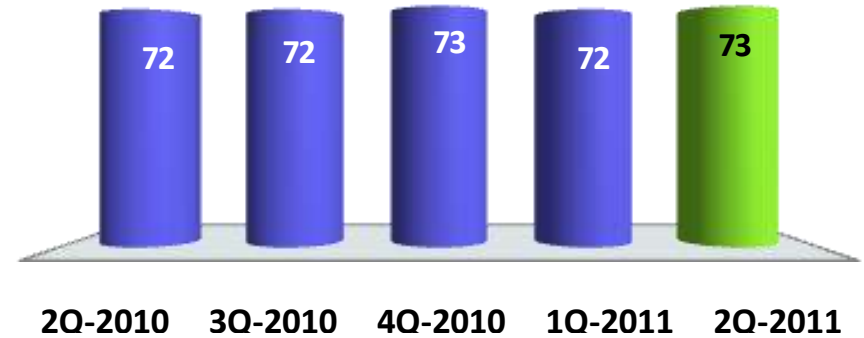
Pre-paid ARPU (S\$ per month)



Post-paid Revenue (S\$M)

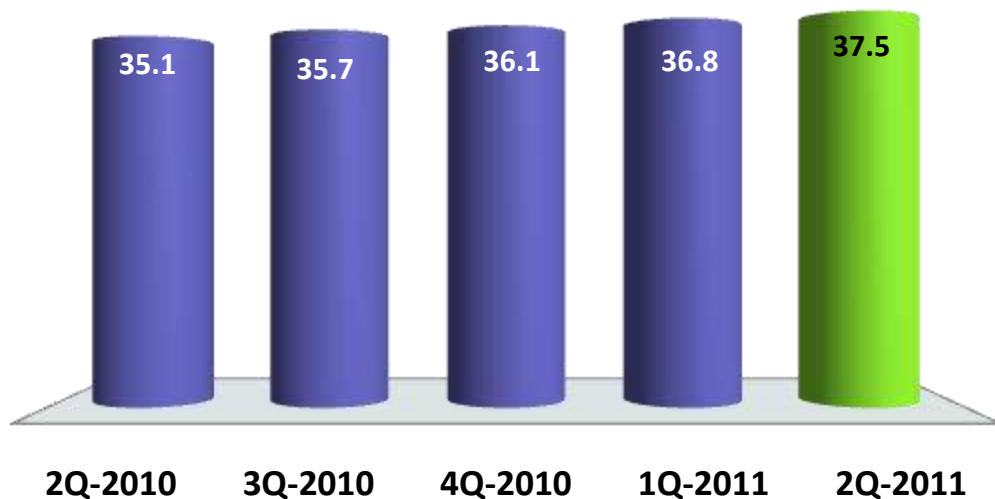


Post-paid ARPU (S\$ per month)

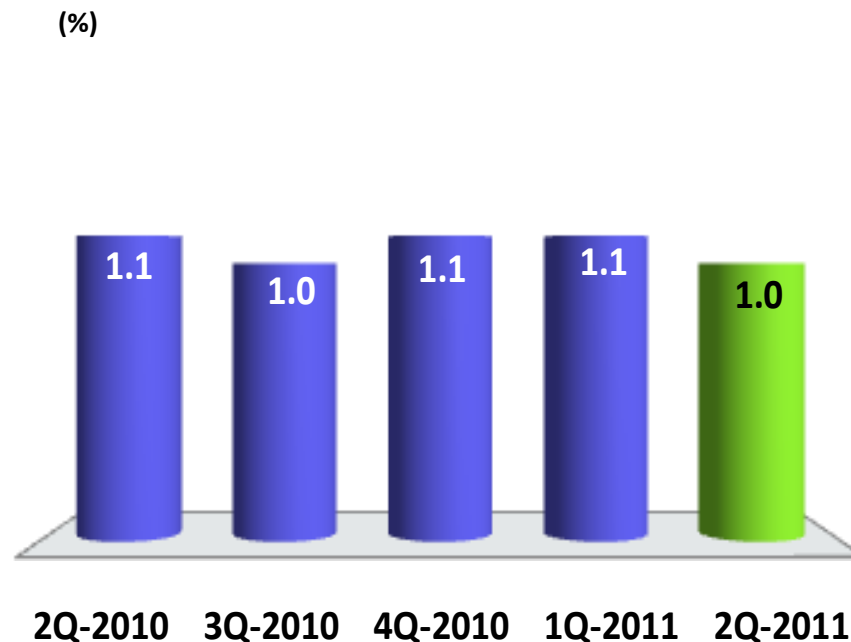


# Mobile Non-Voice & Churn Trend

Post-paid non-voice services (% of ARPU)



Monthly Churn Rate (Post-paid)





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**Business Highlights – Pay TV**

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## Pay TV (2Q-2011 vs 2Q-2010)

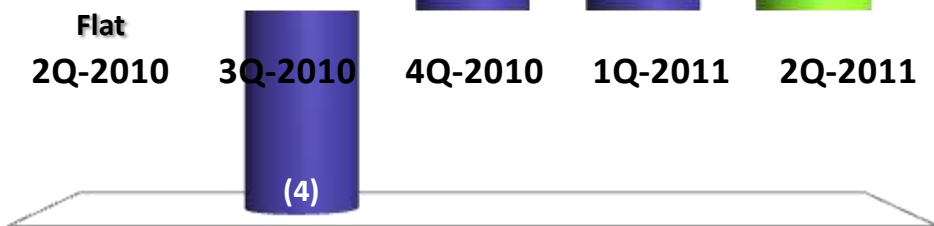
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- Added 3k customers
- ARPU at \$49

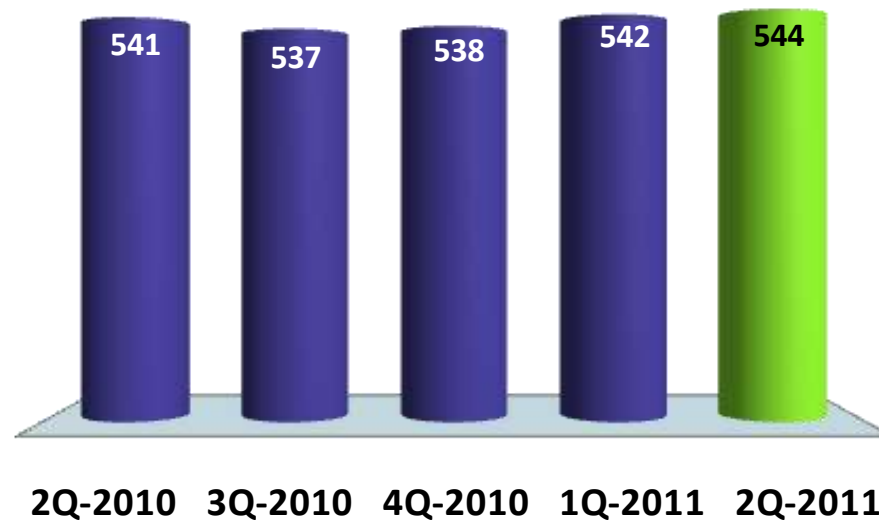


# Pay TV Net Adds

Net Adds ('000)



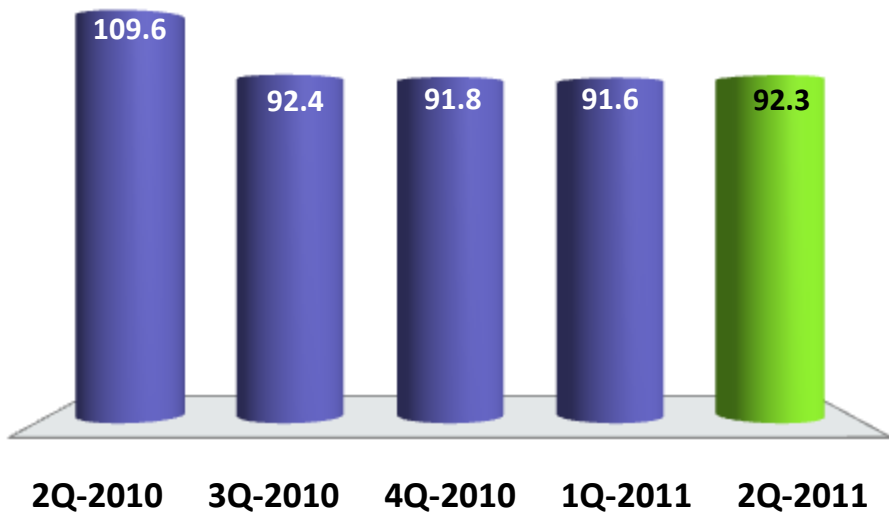
Customers ('000)



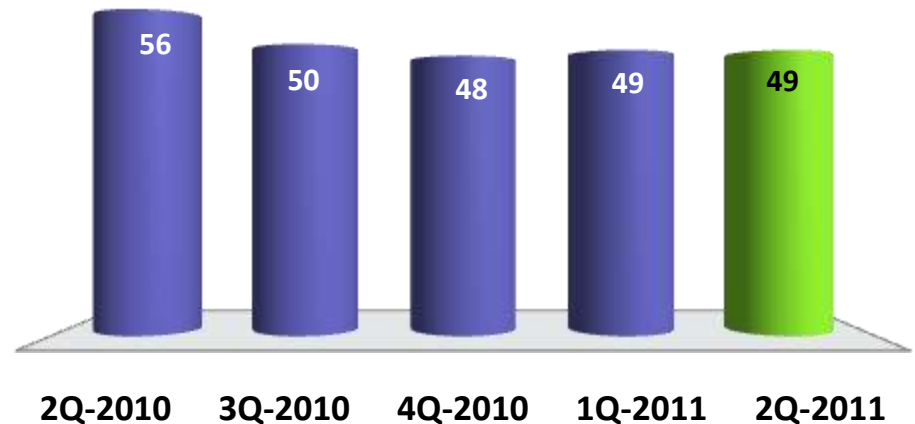
Note: Numbers may not add up due to rounding.

# Pay TV Revenue & ARPU

Pay TV Revenue (S\$M)

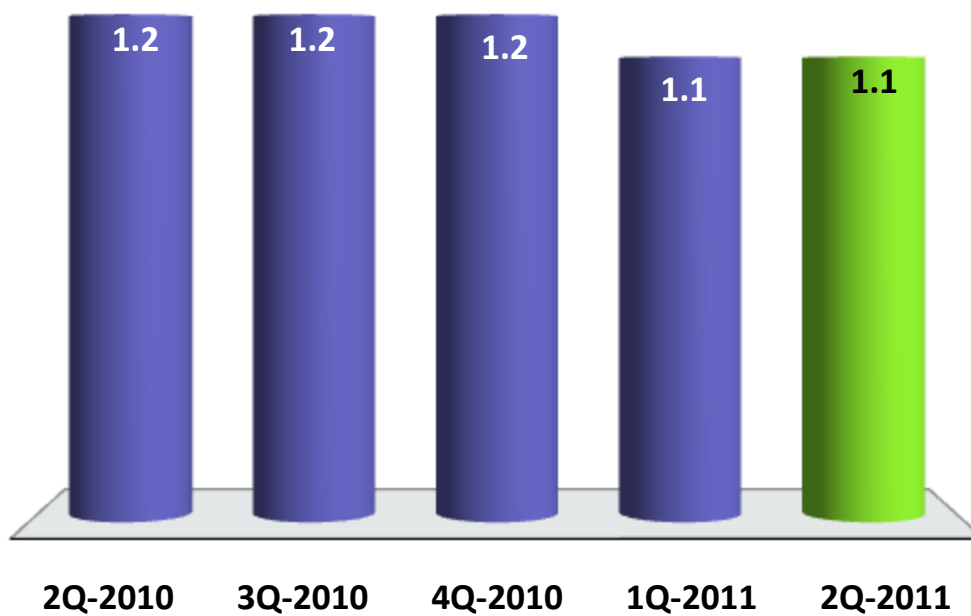


Pay TV ARPU (S\$ per month)



# Pay TV Churn

Average Monthly Churn Rate (%)





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## **Business Highlights – Broadband**

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**Business Highlights**

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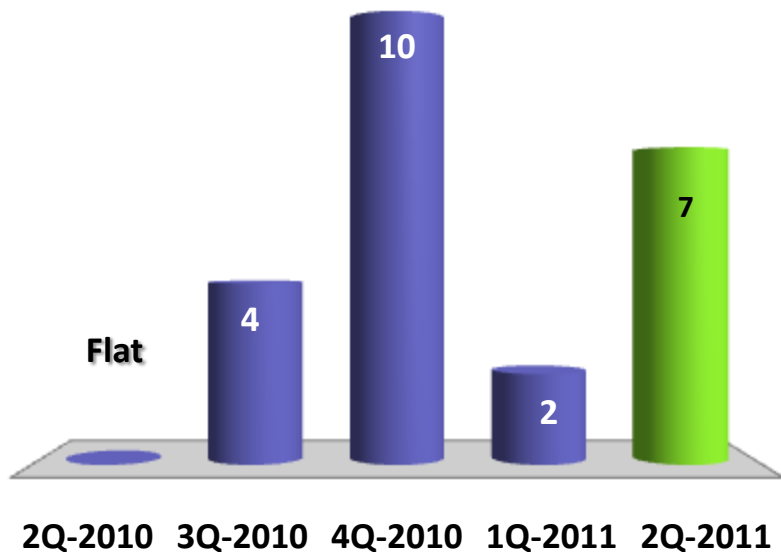
## **Broadband (2Q-2011 vs 2Q-2010)**

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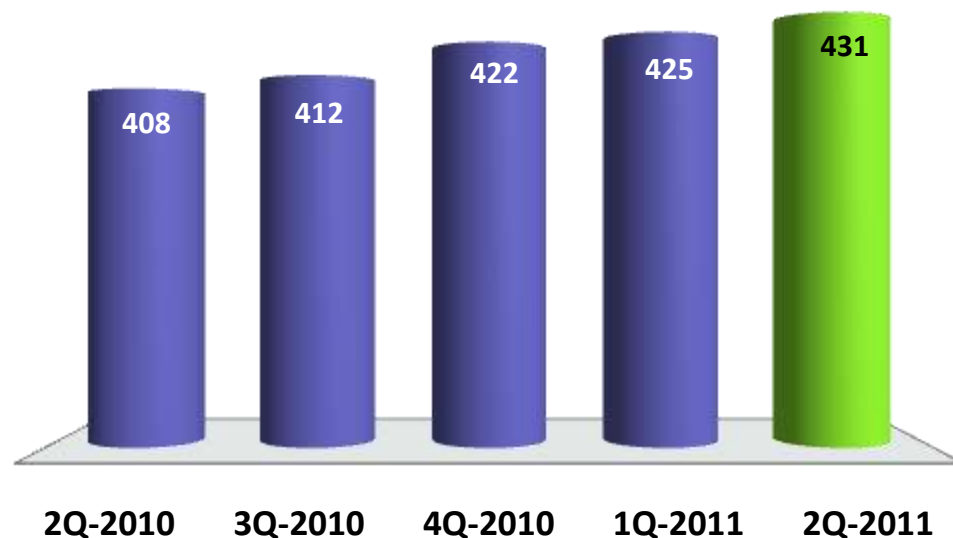
- **Added 24k customers**
- **ARPU at \$45**
- **Revenue increased 3%**

# Residential Broadband Net Adds

Net Adds ('000)



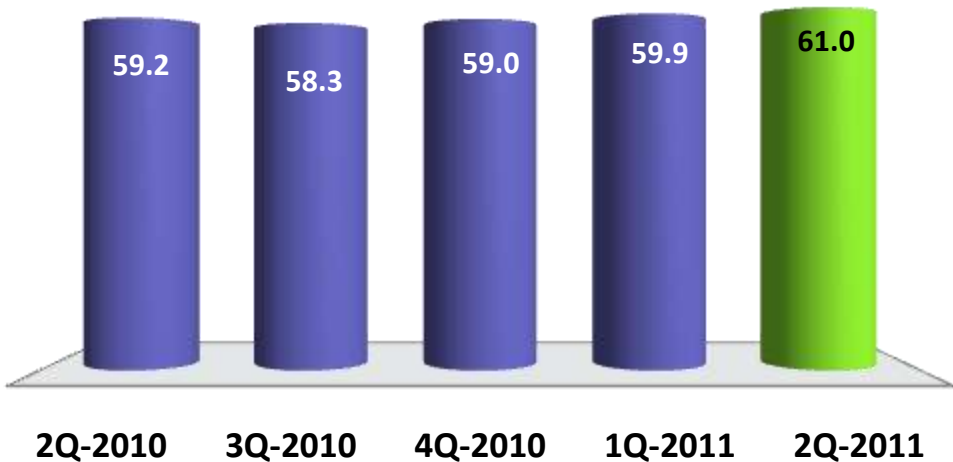
Customers ('000)



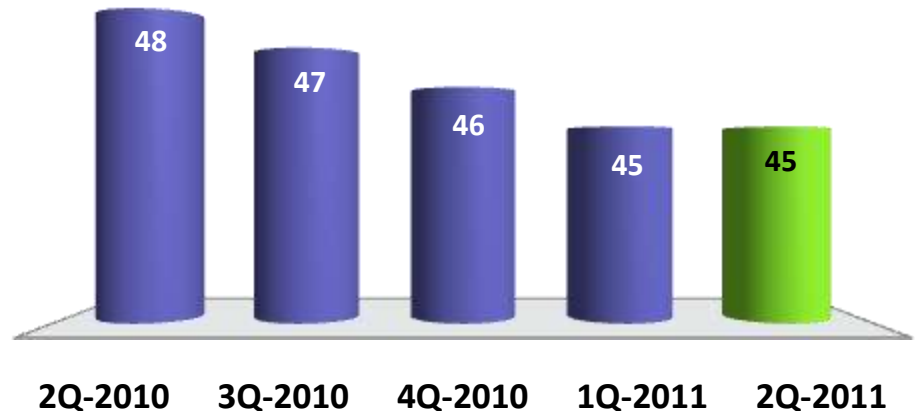
Note: Numbers may not add up due to rounding.

# Broadband Revenue & ARPU

Broadband Revenue (S\$M)

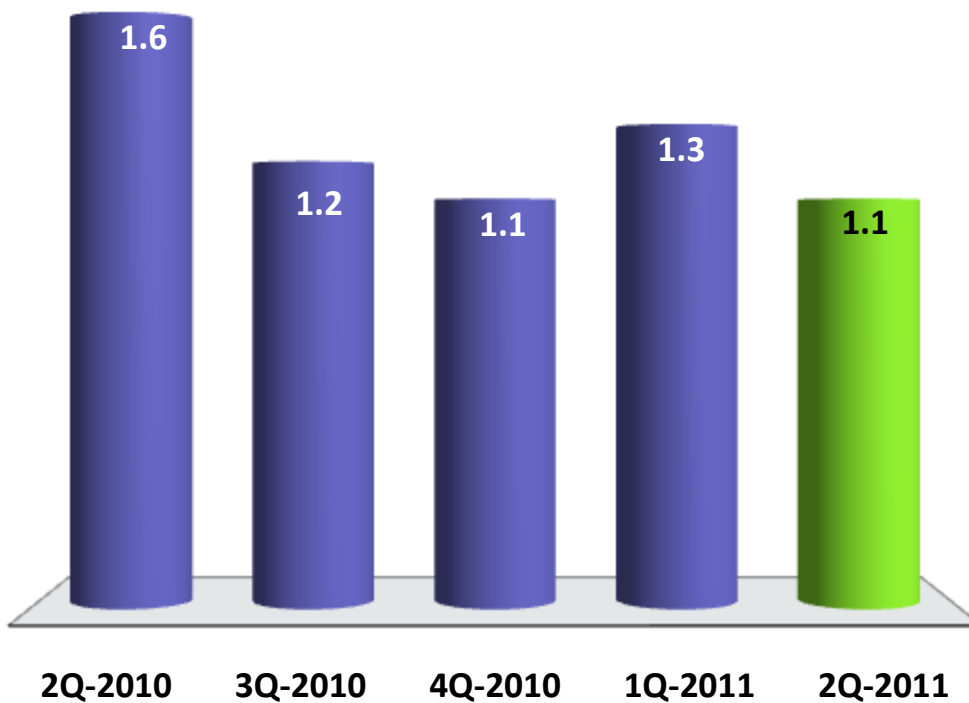


Broadband ARPU (S\$ per month)



# Residential Broadband Churn

Average Monthly Churn Rate (%)







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# Business Highlights – Fixed Network Services

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2Q2011 Highlights

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**Business Highlights**

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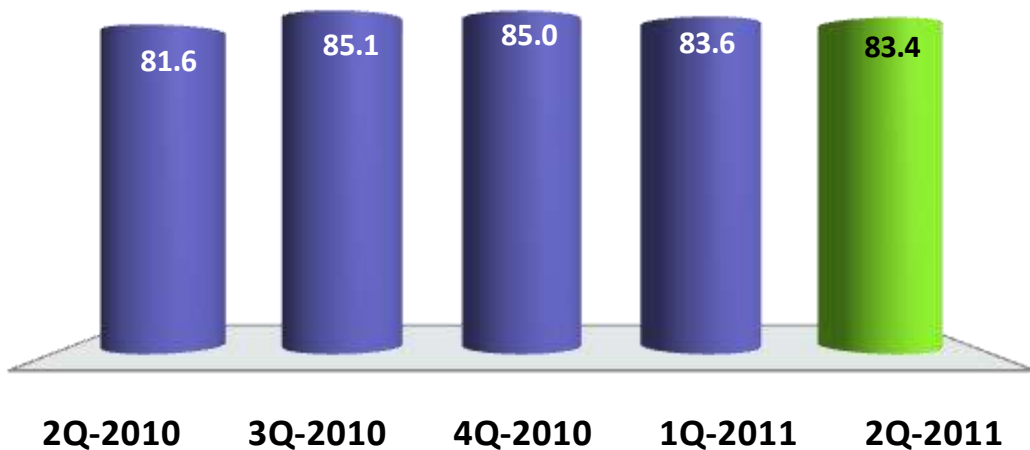
## Fixed Network Services (2Q-2011 vs 2Q-2010)

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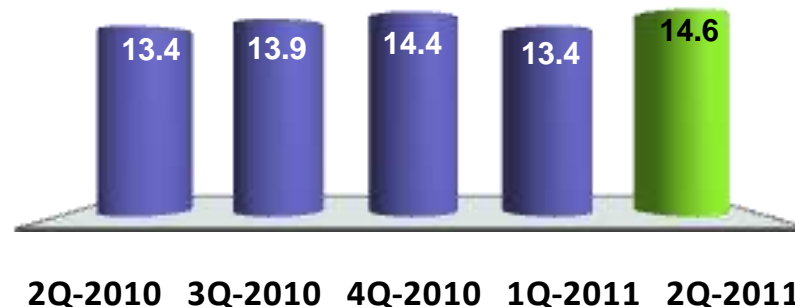
- Revenue increased 2%
- Stable contribution from Data & Internet services to revenue

# Fixed Network Services

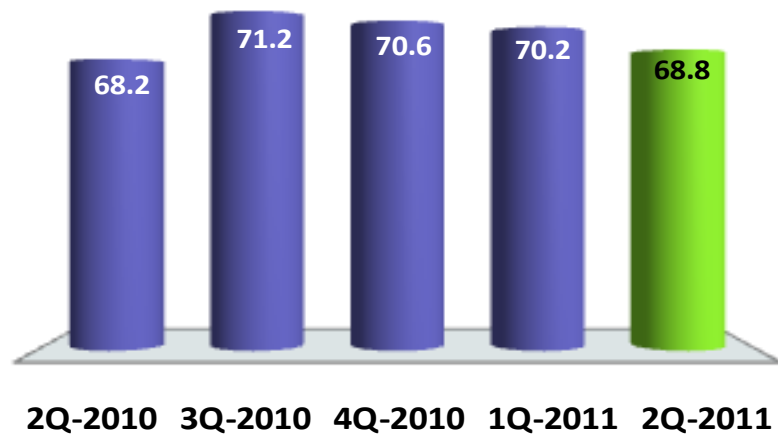
Fixed Network Revenue (S\$M)



Voice (S\$M)



Data & Internet (S\$M)





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**Revenue:** Revised revenue growth to low single-digit range

**EBITDA:** Maintain EBITDA margin on service revenue to be about 30%

**CAPEX:** Revised cash capex to not exceeding 12% of operating revenue

**Dividend:** Declare 2Q-2011 interim dividend of 5.0 cents per share  
For FY2011, maintain cash dividend of 5.0 cents per ordinary share per quarter



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