

StarHub Reports 2011 Fourth Quarter and Full Year Results

- *FY NPAT Rose 20% To S\$316 Million*
- *FY EBITDA Improved 12% to S\$676 Million*
- *FY Operating Revenue Increased 3% to S\$2.3 Billion*
- *Recommends Final Dividend of 5 cents per share, totaling 20 cents per share for FY2011*

Singapore, 2 February 2012 – StarHub Ltd today announced its results for the fourth quarter and full year ended 31 December 2011.

Operating revenue for the quarter rose 10% to S\$612.6 million compared to S\$559.0 million year-on-year (YoY). The Group's EBITDA saw an increase of 9% to S\$185.3 million. On a full year basis, operating revenue increased 3% to S\$2,312.0 million while EBITDA was 12% higher at S\$676.0 million from S\$601.8 million previously. EBITDA margin as a percentage of service revenue was 33.1% for the quarter and 31.1% for the year.

In 4Q2011, net profit after tax was at S\$92.6 million. Compared to a year ago, net profit after tax increased 15%. On a full year basis, net profit after tax increased 20%. Cash capital expenditure (capex) was at S\$116.8 million for the quarter or 9% higher compared to a year ago. The higher capex spent was for the expansion and enhancement of our existing network infrastructure, and set-tops for the Pay TV business. On a full year basis, it was 9% lower.

Business Highlights

Total service revenue for both the quarter and the full year periods recorded 4% and 1% growth respectively. Both Mobile and Broadband services contributed to the bulk of the service revenue increase. YoY, **Mobile** revenue grew 3% for the quarter as well as on a full year basis. Post-paid mobile services revenue was 6% higher at S\$251.8 million for the quarter and S\$968.2 million for the full year. Pre-paid mobile services

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revenue decreased 8% YoY to S\$60.4 million for the quarter. It was 6% lower for the full year. Comparing a year ago, post-paid ARPU increased S\$3 to S\$76 for the quarter and S\$2 to S\$74 for the full year. Looking at pre-paid ARPU, it decreased S\$2 YoY for the quarter and full year periods.

Pay TV revenue increased 8% YoY to S\$98.7 million for the quarter but on a full year basis, was lower by 5%. This was attributed to the lower subscription revenue from the Sports group following the reduction in monthly subscription price from S\$25 to S\$12 in June 2010 and the non-recurrence of the 2010 World Cup event this year. YoY, Pay TV ARPU increased S\$3 to S\$51 for the quarter but for the full year, it decreased S\$2. The customer base grew by 7,000, ending the year at 545,000 households.

Broadband revenue improved by 3% to S\$60.6 million for the quarter compared to a year ago. For the full year, revenue was S\$5.7 million higher. The residential broadband customer base grew 4% YoY, ending the quarter with 440,000 customers. For the quarter, ARPU was flat at S\$45 YoY. On a full year basis, ARPU was down S\$2. The lower ARPU for the full year period was attributed to higher promotional and discounts offers as we drive take up for our Hubbing services.

Fixed Network revenue increased 3% to S\$88.0 million YoY for the quarter. For the full year, it increased 2%. Data & Internet services revenue, which makes up 84% of the Fixed Network revenue, increased 4% YoY for the quarter. On a full year basis, it was 1% higher. Voice services revenue increased 1% to S\$14.5 million YoY for the quarter. It was 4% higher for the full year. The higher revenue was attributable to higher subscription of local voice services and increased interconnect revenue, offset by lower IDD revenue.

Hubbing households with three services increased by 5,000 to 205,000 from the previous year. There were 449,000 Singapore households taking up two or more StarHub services as at end 2011. This was the result of our Hubbing promotions yielding more success.

“We are happy with our overall performance for 2011, especially with growth in our post-paid Mobile business and Hubbing households. Pay TV revenue improved steadily during the year too,” said Mr Neil Montefiore, CEO, StarHub. “We are

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encouraged with the growth potential in the Enterprise space, especially with the StarHub-Vodafone partnership and the anticipated resolutions of the current NGNBN issues.”

Outlook for FY2012

Based on the current outlook, we expect Group operating revenue for 2012 to grow in the low single digit range and Group EBITDA margin as a percentage of service revenue to be about 30%. The total capex payments in 2012 are expected not to exceed 11% of operating revenue. We intend to maintain the annual cash dividend payout of 20 cents in 2012.

For more details on the Group's performance for FY2011 and the outlook for FY2012, please visit www.starhub.com/ir. Materials available at this website include the audio conference link, investor presentation and unaudited results for the quarter and full year ended 31 December 2011.

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About StarHub

StarHub is Singapore's fully-integrated info-communication company, offering a full range of information, communications and entertainment services for both consumer and corporate markets. StarHub operates Singapore's fastest two-way HSPA+ mobile network that delivers up to 21Mbps for downlink to complement its nation-wide GSM network, and an island-wide HFC network that delivers multi-channel cable TV services (including High Definition Television and on-demand services) as well as ultra-high speed residential broadband services. StarHub also operates an extensive fixed business network that provides a wide range of data, voice and wholesale services. Over Singapore's fibre-based Next Generation Nationwide Broadband Network, StarHub offers a broad range of home and business broadband plans along with a host of advanced media-rich value-added services.

Launched in 2000, StarHub has become one of Singapore's most innovative info-communications providers, and the pioneer in 'hubbing' - the ability to deliver unique integrated and converged services to all its customers. StarHub, listed on the main board of the Singapore Exchange since October 2004, is a component stock of the Straits Times Index and the MCSI Singapore Free Index.

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