

## **StarHub Reports 2012 Second-Quarter and Half-Year Results**

- *Operating Revenue Grew 4% To S\$591 Million*
- *EBITDA Increased 10% To S\$179 Million*
- *Net Profit After Tax Rose 11% To S\$87 Million*
- *Declares Interim Dividend Of 5.0 Cents Per Share*

**Singapore, 8 August 2012** – StarHub Ltd today announced its results for the second quarter and first half ended 30 June 2012.

Operating revenue, for the quarter, was at S\$591 million, 4% more compared to a year ago. On a half-year basis, it was at S\$1,182 million. The Group's EBITDA increased 10% for both the quarter and first half to S\$179 million and S\$356 million, respectively. EBITDA margin as a percentage of service revenue was 32.0% for the quarter, which was a 1.6 percentage point increase from the year before. On a half-year basis, it was at 32.1%.

Profit from operations, for the quarter, was an increase of 16% to S\$111 million and net profit after tax was at S\$87 million, an increase of 11% year-on-year (YoY). For the half-year, profit from operations increased 18% to S\$220 million while net profit after tax rose 19% to S\$175 million. Free cash flow was S\$143 million, for the quarter, compared to S\$140 million in 2Q2011. Cash capital expenditure (capex) was S\$15 million higher at S\$57 million compared to a year ago. On a half-year basis, free cash flow was S\$247 million while cash capex was S\$98 million.

### **Business Highlights**

For the quarter and half-year, Mobile services revenue increased 1% and 3%, respectively. Pay TV revenue grew 12% for the quarter and 9% for the half-year. Broadband revenue rose 2% for the quarter and the half-year, while Fixed Network services revenue increased 6% for the quarter and 4% for the half-year.

"Some of the statements in this news release constitute 'forward-looking statements' that do not directly or exclusively relate to historical facts. These forward-looking statements reflect StarHub Ltd's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside StarHub Ltd'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. Because actual results could differ materially from StarHub Ltd's current intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this news release with caution."

**Mobile** revenue grew to S\$306.2 million from S\$302.5 million YoY and to S\$612.8 million for the half-year period. Post-paid mobile services revenue was 3% higher at S\$246.4 million. Comparing to 2Q2011, pre-paid mobile services revenue decreased 6% to S\$59.8 million for the quarter. YoY, post-paid ARPU increased S\$2 to S\$75, while pre-paid ARPU decreased S\$2 to S\$18.

**Pay TV** revenue increased 12% to S\$103.7 million from S\$92.3 million a year ago. The UEFA EURO 2012 broadcast in June led to higher Pay TV services revenue for the quarter. As a result, Pay TV ARPU increased S\$5 to S\$54. For the quarter, our customer base was stable at 543,000.

**Broadband** revenue increased 2% to S\$62.4 million YoY. The residential broadband customer base also grew 2% YoY, ending the quarter with 439,000 customers. Broadband ARPU was S\$46 for the quarter, S\$1 higher than a year ago. The higher ARPU was mainly due to a higher mix of customers on the higher speed broadband plans.

**Fixed Network** revenue increased 6% to S\$88.0 million from a year ago. Data and Internet revenue grew 6% to S\$72.9 million while Voice services revenue increased 4% to S\$15.2 million YoY. The higher Voice revenue was mainly contributed by higher subscription of local voice services and increased interconnect revenue.

The total number of **Hubbing** households with at least one StarHub service was 786K for the quarter. This was 4,800 lower than a year ago. However, the ratio of households who subscribed to multiple StarHub services increased slightly from a year ago.

"We are pleased to see an 11% growth in profits for the quarter and a successful broadcast of the UEFA EURO 2012, the first exclusive content subject to the cross-carriage regime," said Mr Neil Montefiore, CEO of StarHub. "Our subscribers were also able to enjoy the sports event on our inaugural *TV Anywhere* service; an Internet TV platform available on multiple screens, anytime, anywhere."

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## **Outlook for FY2012**

Barring any unforeseen circumstances and based on the current outlook, we maintain our earlier guidance that the Group operating revenue for 2012 will grow in the low single-digit range, and Group EBITDA margin as a percentage of service revenue to be about 30%. We expect our total capex payments in 2012 to be about 11% of operating revenue. We intend to maintain our annual cash dividend payout of 20 cents per ordinary share for 2012.

For more details on the Group's performance for 2Q2012 and outlook for FY2012, please visit [www.starhub.com/ir](http://www.starhub.com/ir). Materials available at this website include the audio conference link, investor presentation and unaudited results for the quarter ended 30 June 2012.

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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 a HSPA+ mobile network that delivers up to 21Mbps for downlink to complement its nation-wide GSM network, and is currently building its LTE network which is expected go "live" first in key business areas by the end of 2012. It also manages 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 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 MSCI Singapore Free Index.

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