



StarHub 3Q-2013 Results

7 November 2013

Forward-looking Statements

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
CEO



Kevin LIM
CCO



Nicholas TAN
CFO

3Q2013 Highlights

Financial Highlights

Business Highlights

2013 Outlook

Overview (3Q-2013 vs 3Q-2012)

❖ Financial:

- Operating revenue decreased 1%
- Service revenue stable
- EBITDA margin at 33.6%
- NPAT decreased 1%

❖ Operational:

- Mobile growth:
 - ✓ Post-paid revenue 2%
 - ✓ Post-paid customer base 6%
- Pay TV revenue decreased 4%
- Broadband revenue decreased 5%
- Fixed Network Services revenue rose 3%

Key Financial Highlights

S\$M	3Q-2013	3Q-2012	Change	YTD-2013	YTD-2012	Change
Operating Revenue	579	586	-1%	1,746	1,768	-1%
Service Revenue	556	555	0%	1,665	1,664	0%
EBITDA	187	188	-1%	560	544	3%
EBITDA Margin	33.6%	33.9%	-0.3% pts	33.7%	32.7%	1.0% pts
Taxation	(20)	(21)	3%	(59)	(58)	-2%
Net Profit After Tax	95	96	-1%	287	271	6%
Capex Cash Payments	79	60	-32%	215	157	-37%
% of Capex to Revenue	14	10	-4% pts	12	9	-3% pts
FCF / Fully Diluted Share	6.9¢	8.8¢	-21%	16.0¢	23.1¢	-31%
Net Debt to 2012 EBITDA ratio	0.49x	0.43x	-0.06x	0.49x	0.43x	-0.06x

* Numbers may not add up due to rounding.

Business Expansion (Operating Revenue)

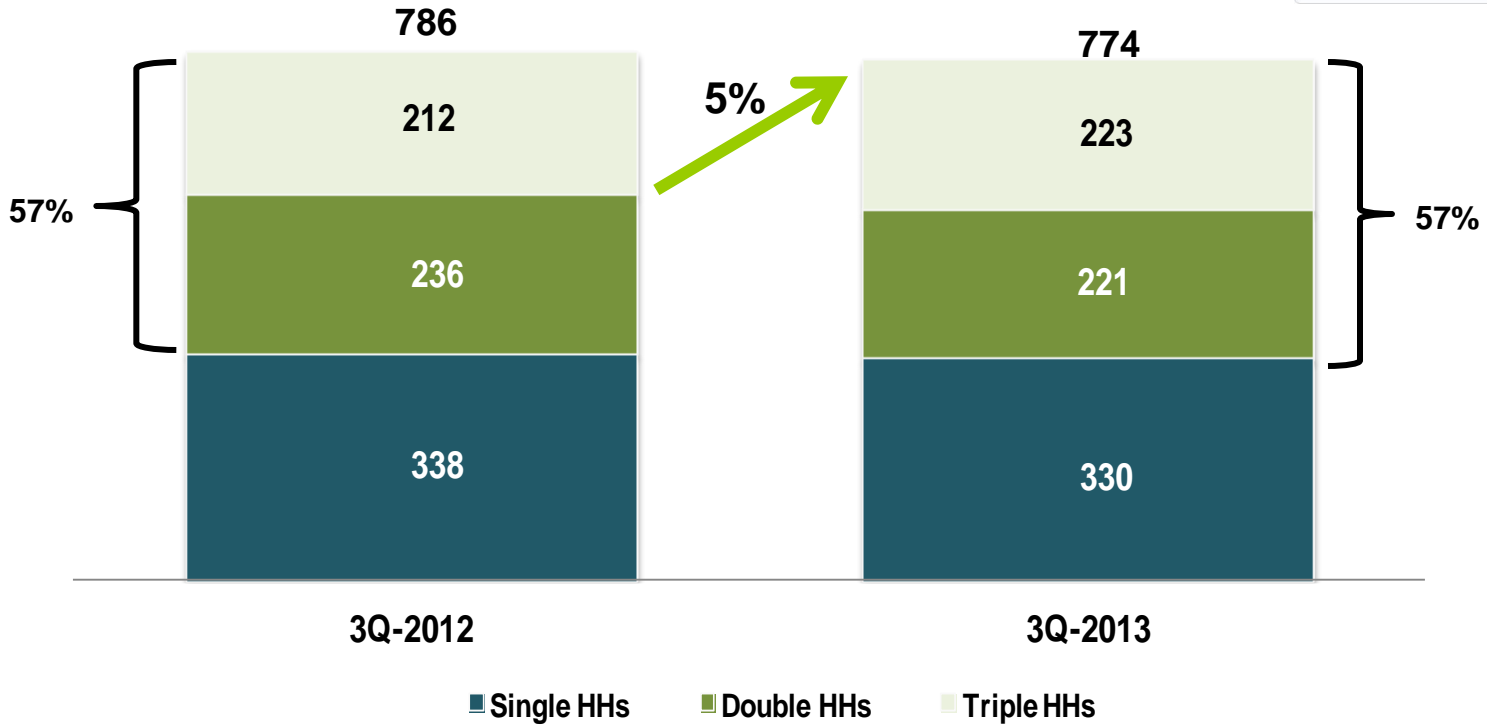
	Quarter ended 30 Sep				Nine months ended 30 Sep			
	2013	2012	Incr / (Decr)		2013	2012	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Operating revenue								
Mobile revenue	308.3	303.3	4.9	1.6	924.9	916.1	8.7	1.0
Pay TV revenue	95.5	99.2	(3.7)	(3.7)	285.8	298.6	(12.8)	(4.3)
Broadband revenue	59.6	62.7	(3.1)	(5.0)	183.7	186.5	(2.8)	(1.5)
Fixed Network Services revenue	92.7	89.9	2.8	3.1	271.1	263.0	8.1	3.1
Total service revenue	556.1	555.2	1.0	0.2	1,665.4	1,664.3	1.2	0.1
Sale of equipment	22.7	30.7	(8.1)	(26.3)	80.3	103.3	(23.0)	(22.3)
Total	578.8	585.9	(7.1)	(1.2)	1,745.7	1,767.5	(21.9)	(1.2)

Business Expansion (Revenue Mix)

Operating revenue mix	Quarter ended 30 Sep		Nine months ended 30 Sep	
	2013 Mix %	2012 Mix %	2013 Mix %	2012 Mix %
Mobile revenue	53.3	51.8	53.0	51.8
Pay TV revenue	16.5	16.9	16.4	16.9
Broadband revenue	10.3	10.7	10.5	10.6
Fixed Network services revenue	16.0	15.4	15.5	14.9
Sale of equipment	3.9	5.2	4.6	5.8
Total	100.0	100.0	100.0	100.0

Hubbing Scorecard

Hubbing Households ('000)



3Q2013 Highlights

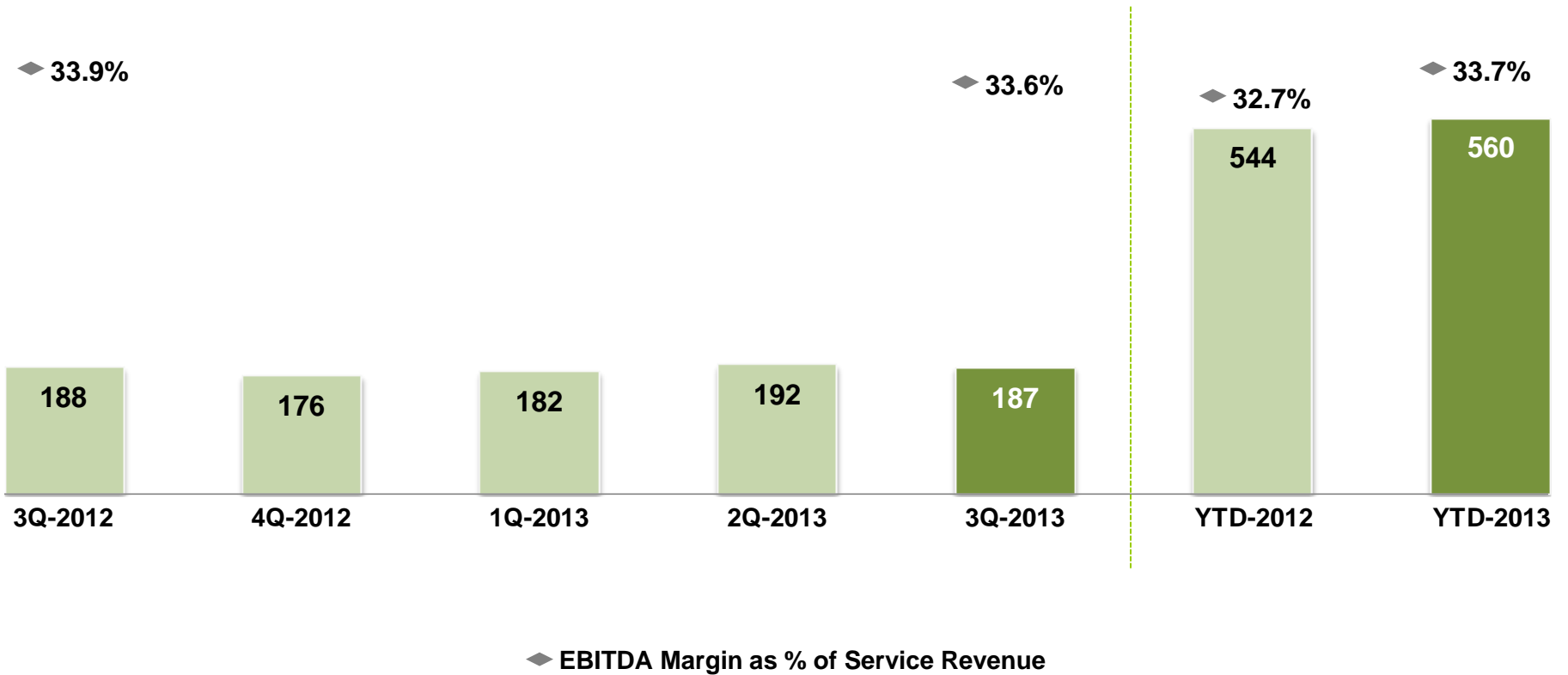
Financial Highlights

Business Highlights

2013 Outlook

EBITDA & EBITDA Margin

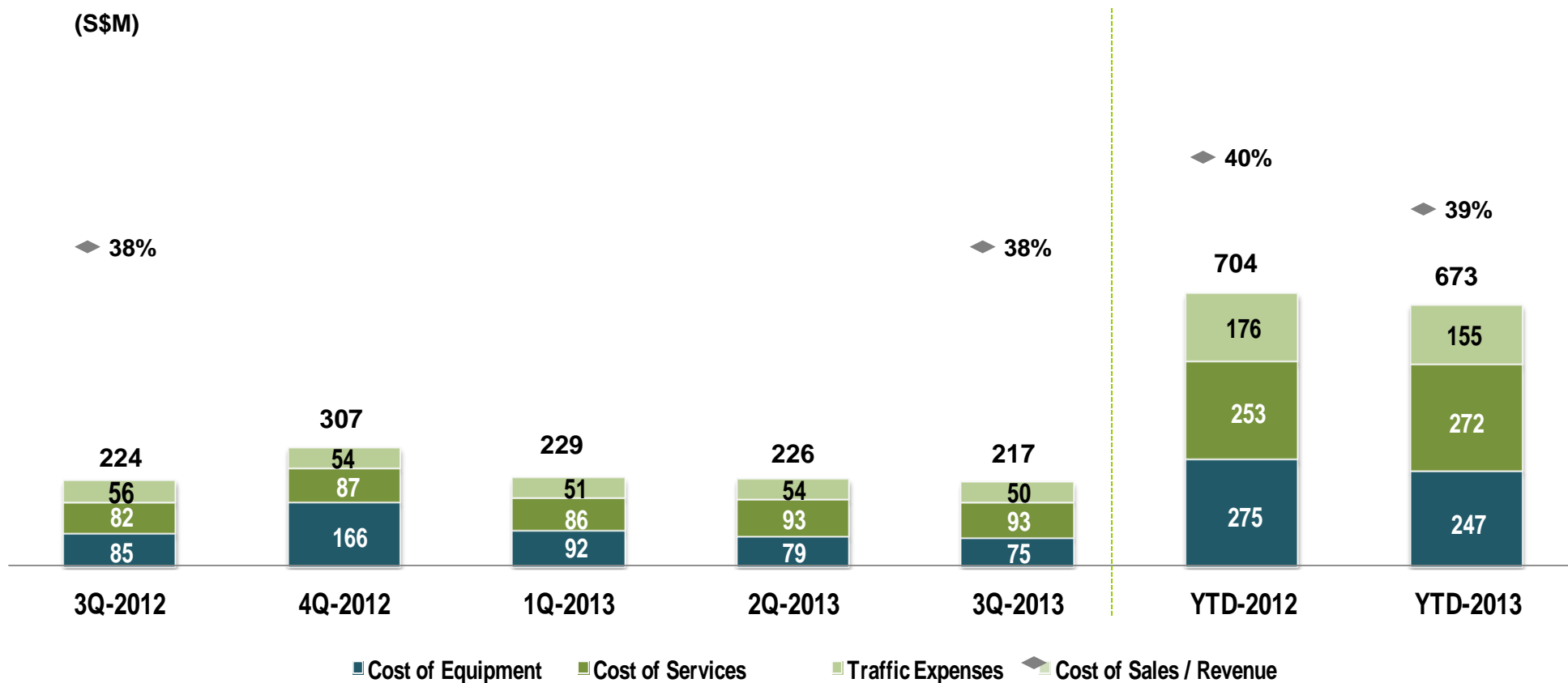
(S\$M)



* Numbers may not add up due to rounding.

Cost Of Sales

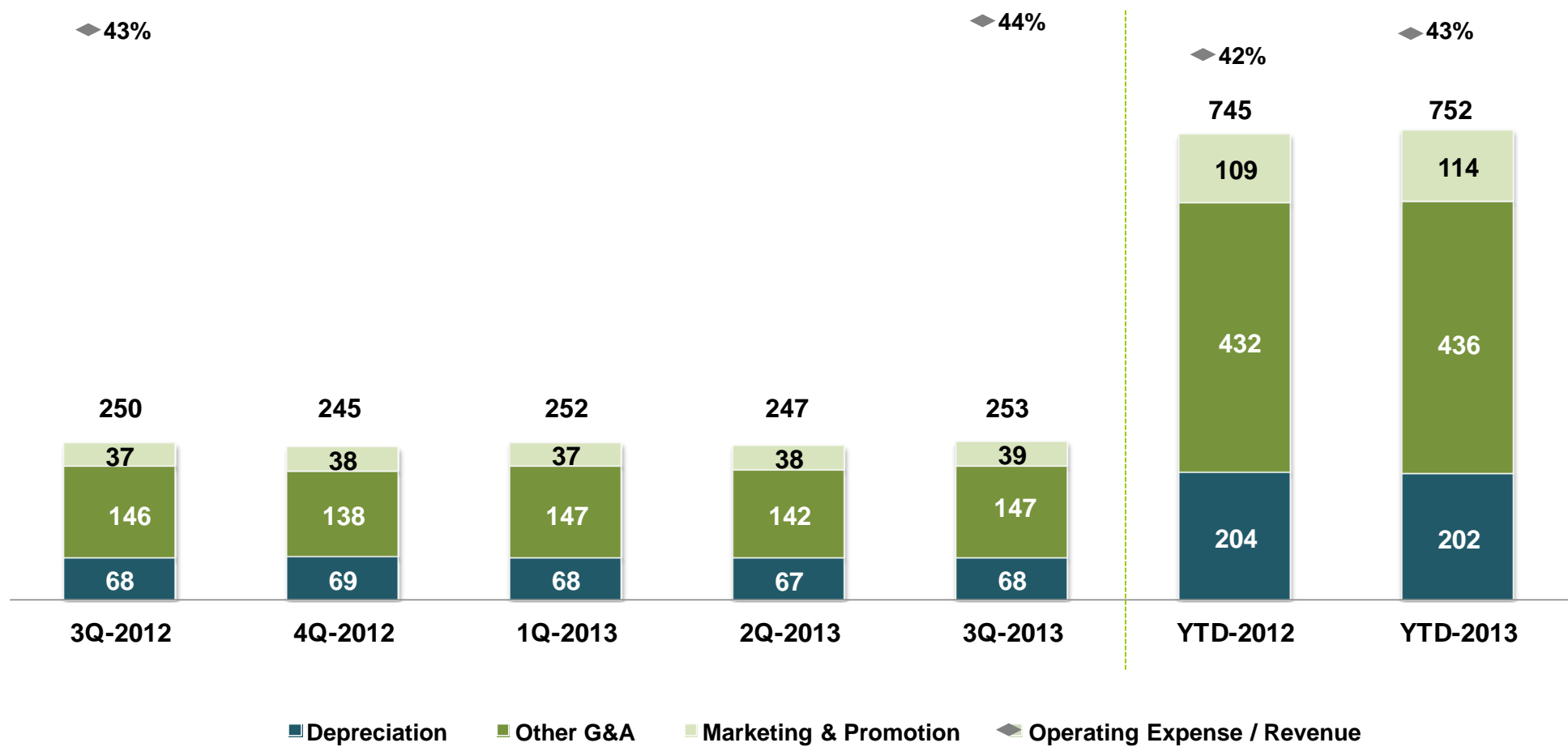
(S\$M)



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Other Operating Expenses

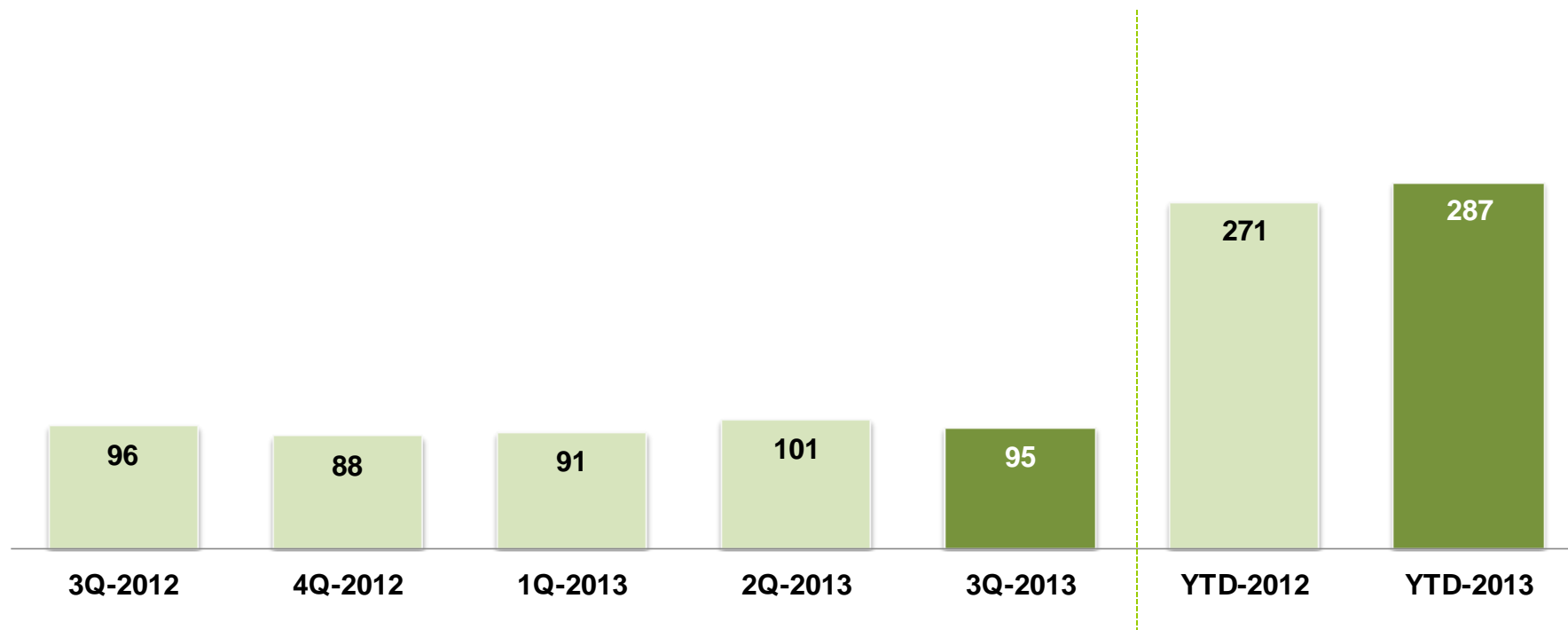
(S\$M)



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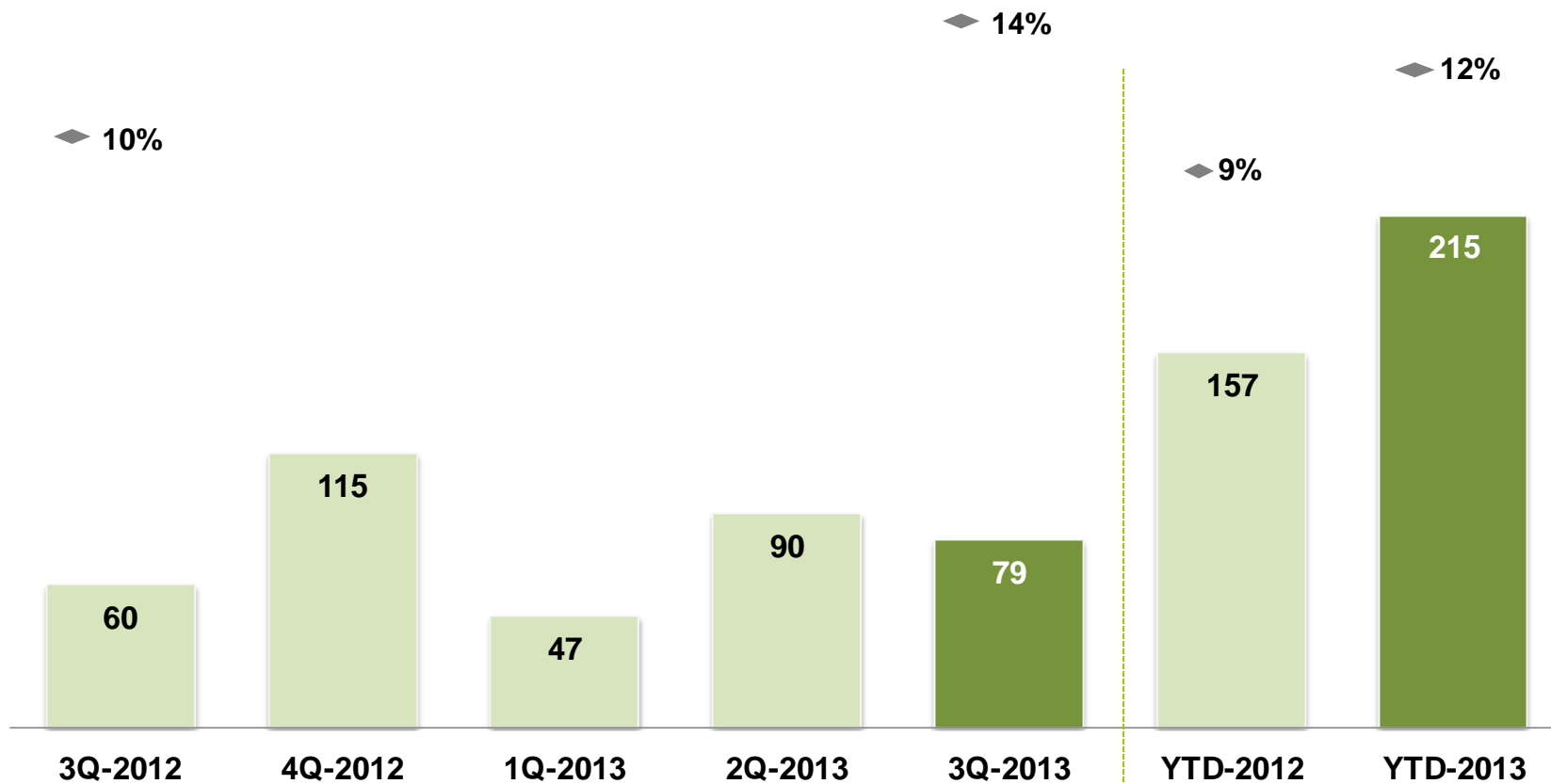
Net Profit After Tax

(S\$M)



Capex (cash payments)

(S\$M)

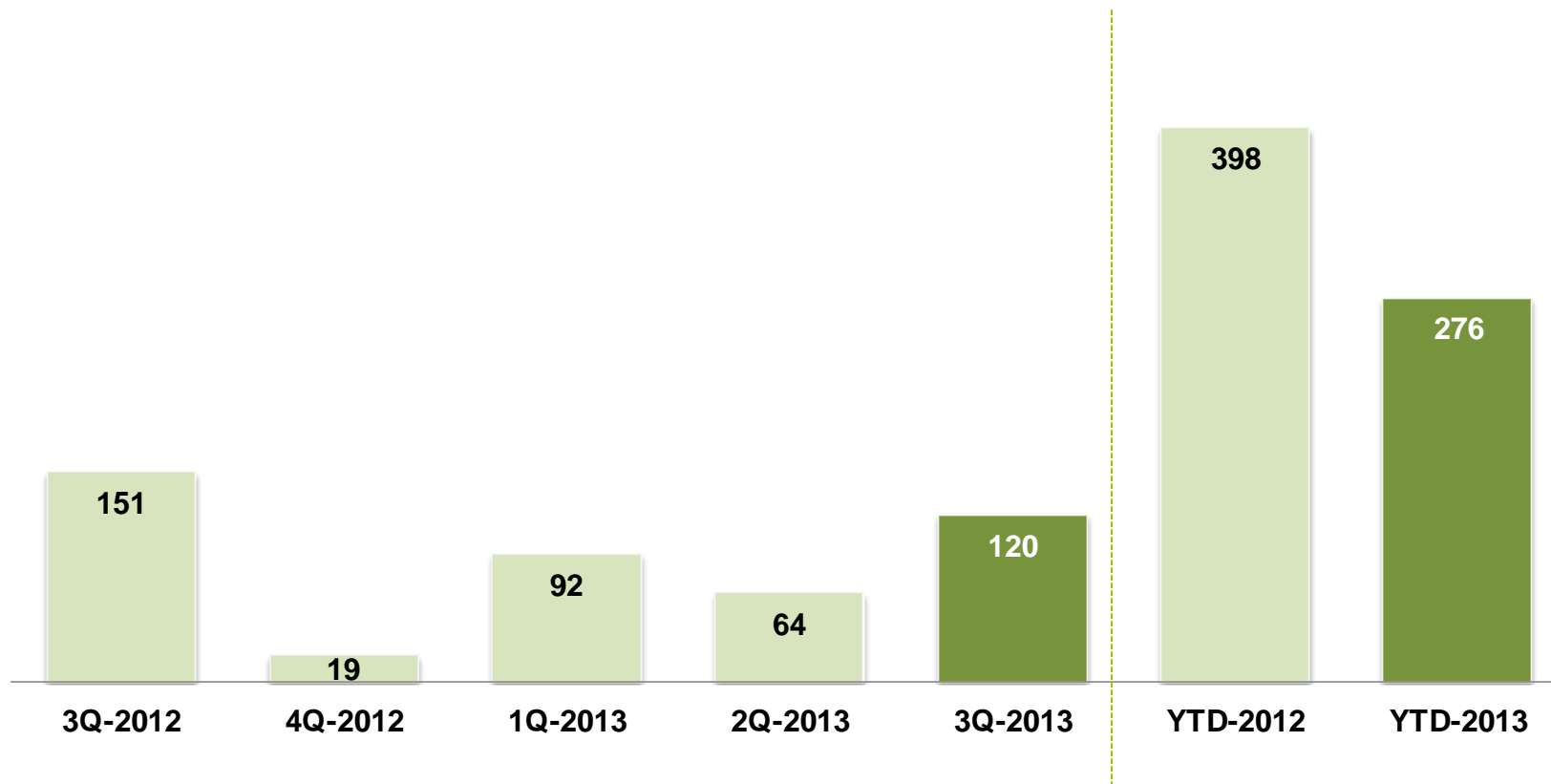


◆ Capex/Revenue

* Numbers may not add up due to rounding.

Free Cash Flow

(S\$M)



3Q2013 Highlights

Financial Highlights

Business Highlights - Mobile

2013 Outlook

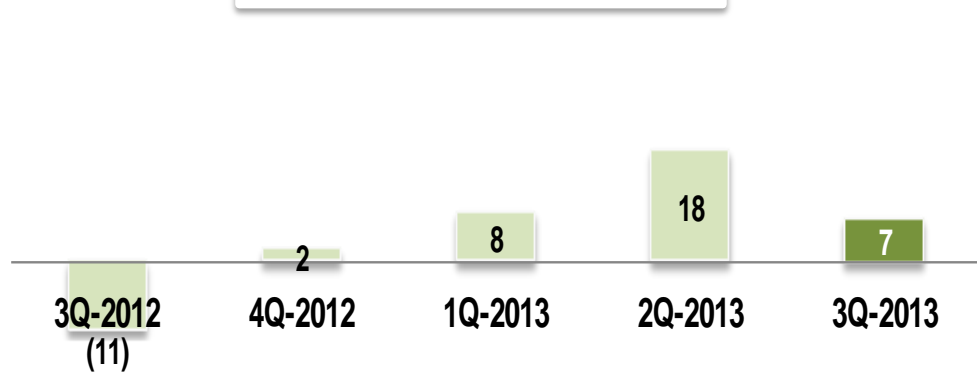
➤ Mobile (3Q-2013 vs 3Q-2012)

- Revenue increased 2%
- Post-paid ARPU higher by S\$1 to S\$70
- Customer base grew 100k

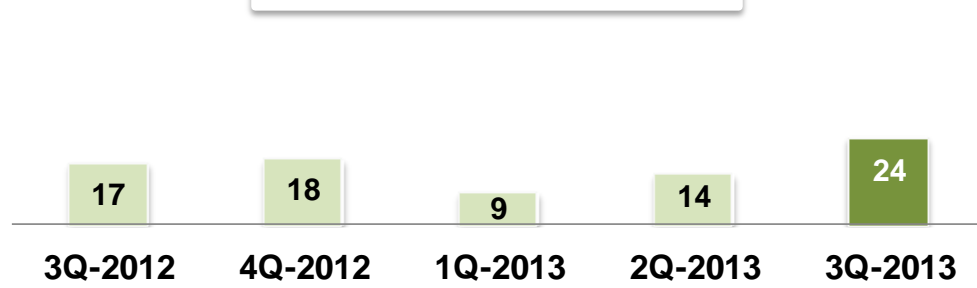


Mobile Net Adds

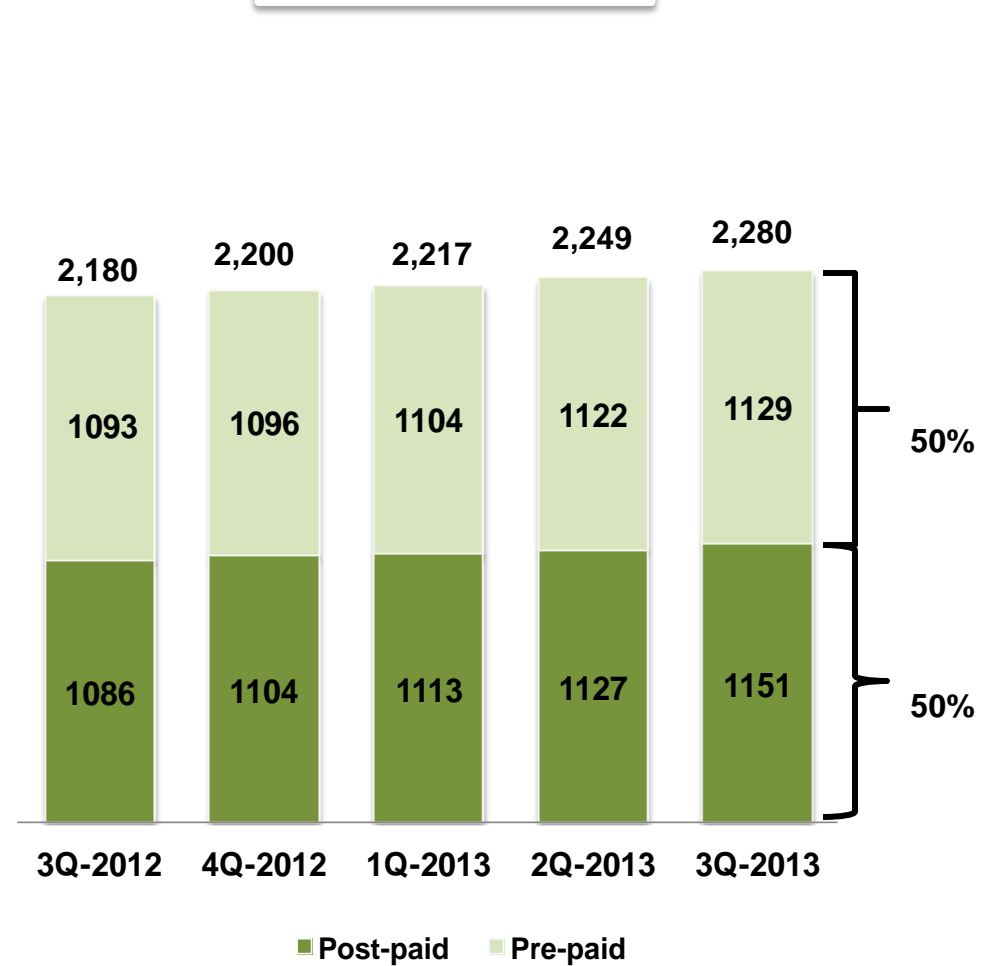
Pre-paid Net Adds ('000)



Post-paid Net Adds ('000)

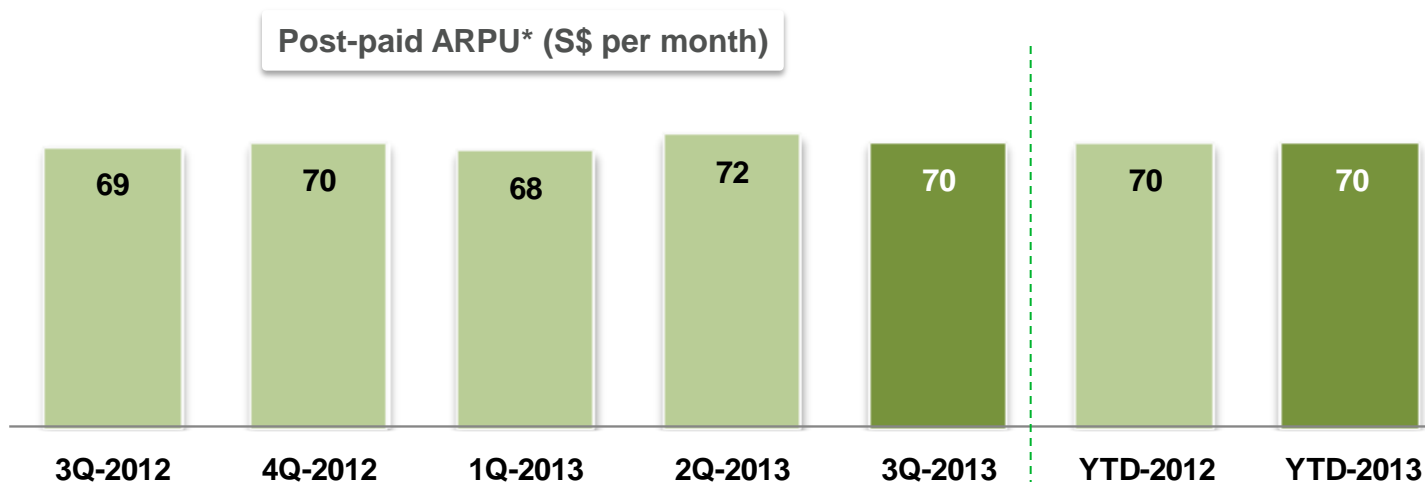
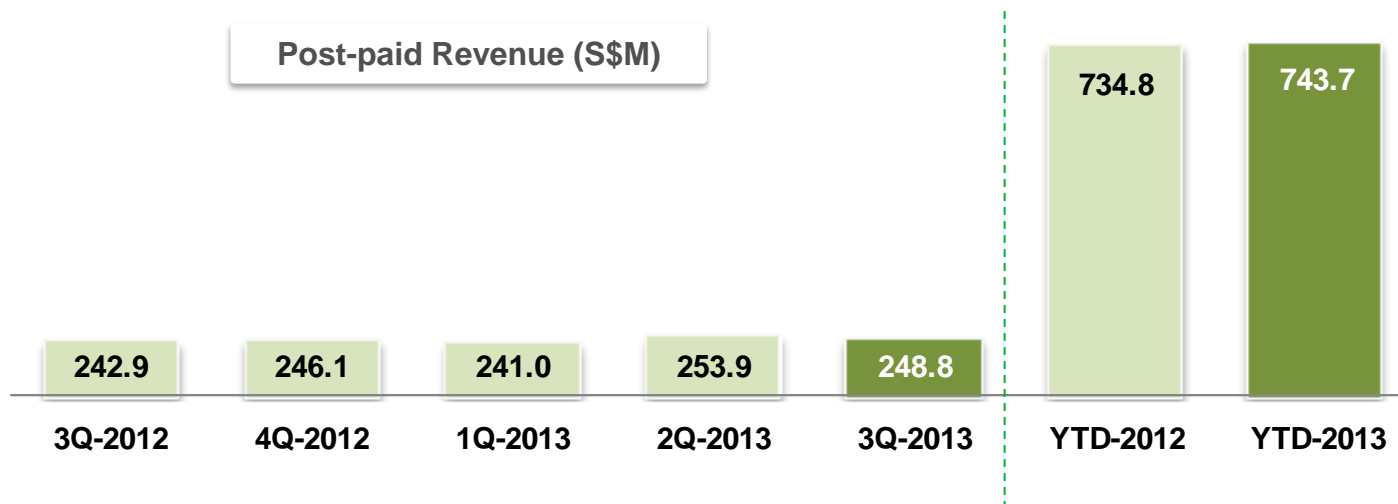


Customers ('000)



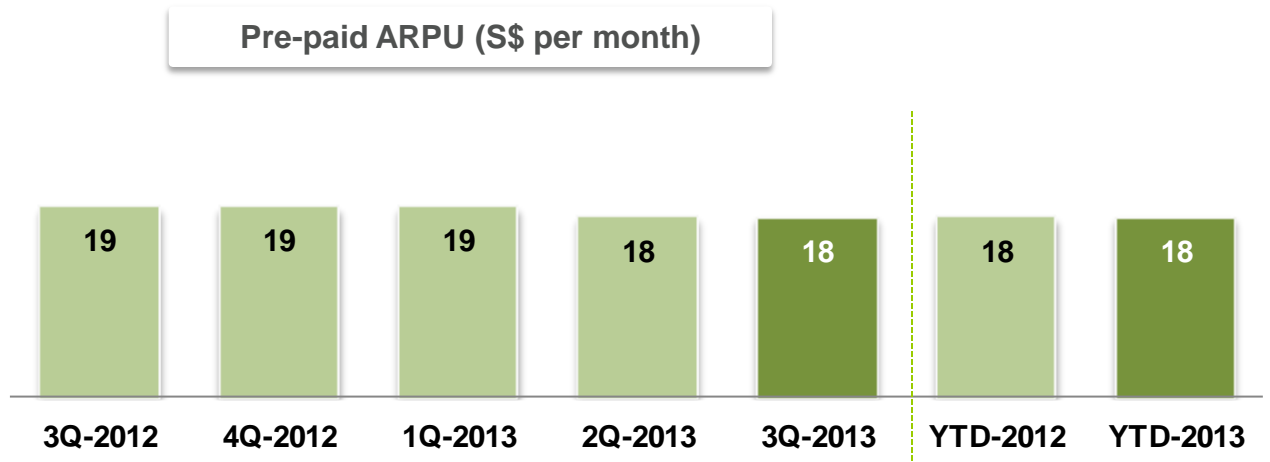
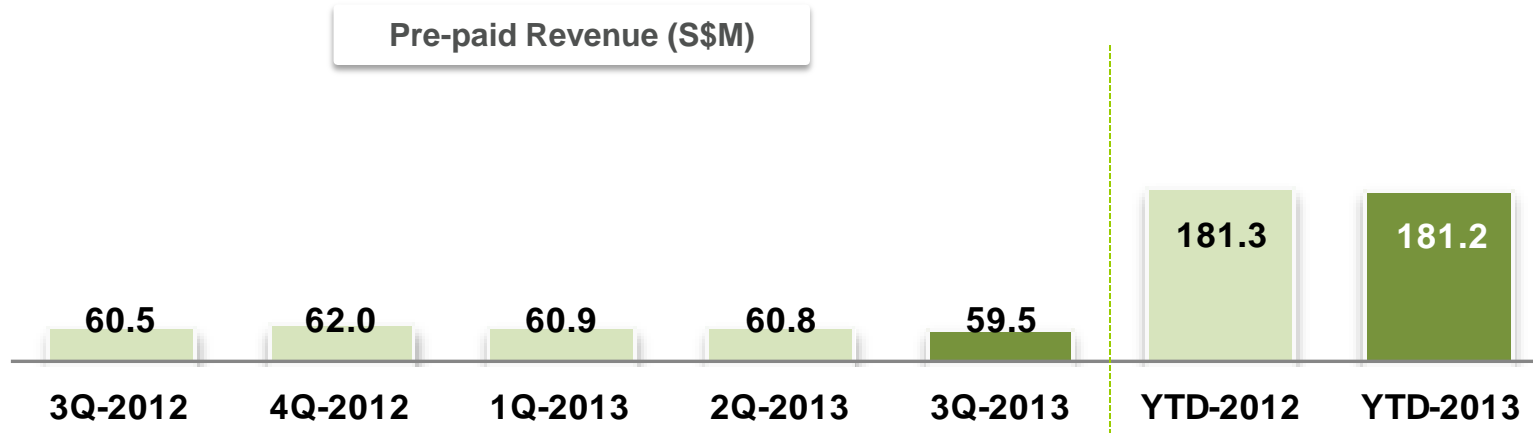
* Numbers may not add up due to rounding.

Post-paid Mobile Revenue & ARPU



* Excluded inbound roaming revenue.

Pre-paid Mobile Revenue & ARPU



Mobile Non-Voice & Churn Trend

Post-paid Non-Voice Services (% of ARPU*)



Post-paid Monthly Churn Rate (%)



* Excluded inbound roaming revenue.

3Q2013 Highlights

Financial Highlights

Business Highlights – Pay TV

2013 Outlook

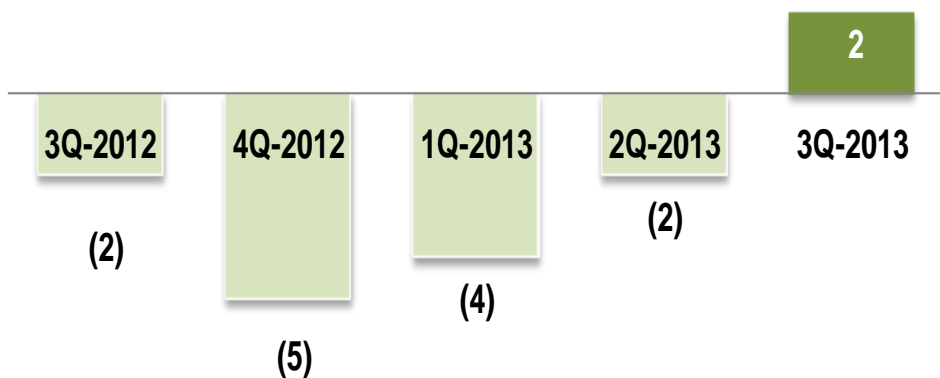
Pay TV (3Q-2013 vs 3Q-2012)

- Revenue decreased 4%
- ARPU lower by S\$1 to S\$51
- Customer base decreased 10k

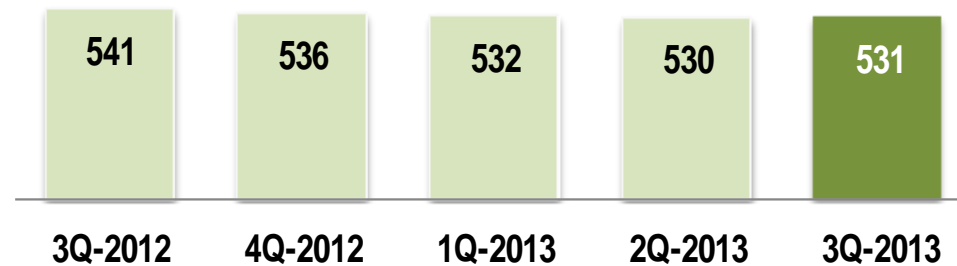


Pay TV Net Adds

Net Adds ('000)

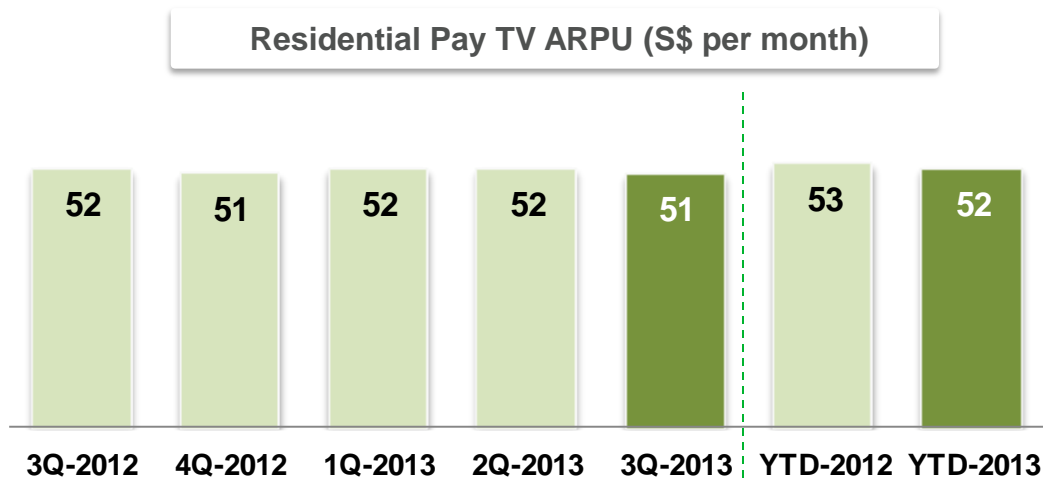
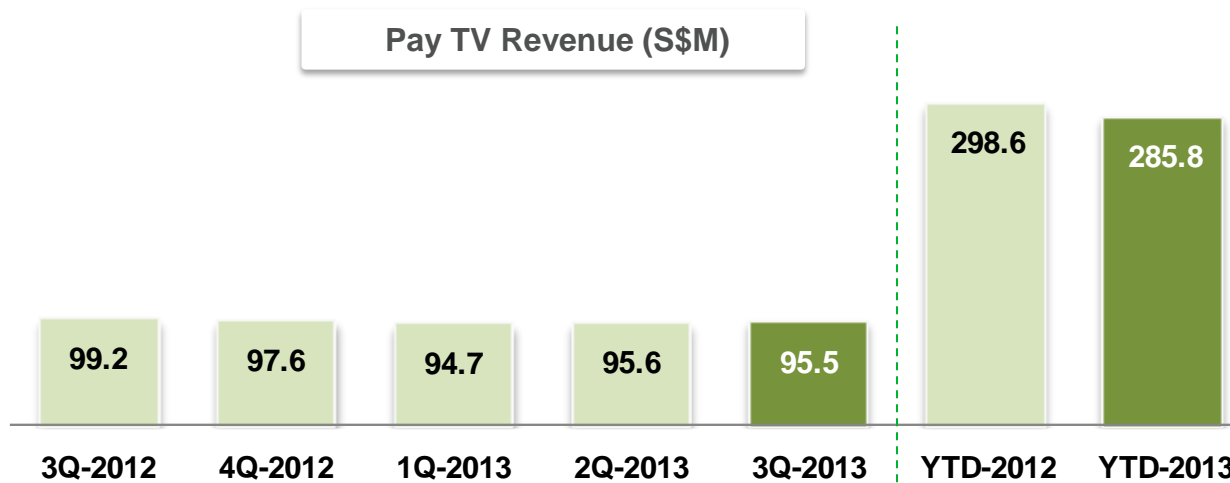


Customers ('000)



* Numbers may not add up due to rounding.

Pay TV Revenue & ARPU



Pay TV Churn

Average Monthly Churn Rate (%)



3Q2013 Highlights

Financial Highlights

Business Highlights - Broadband

2013 Outlook

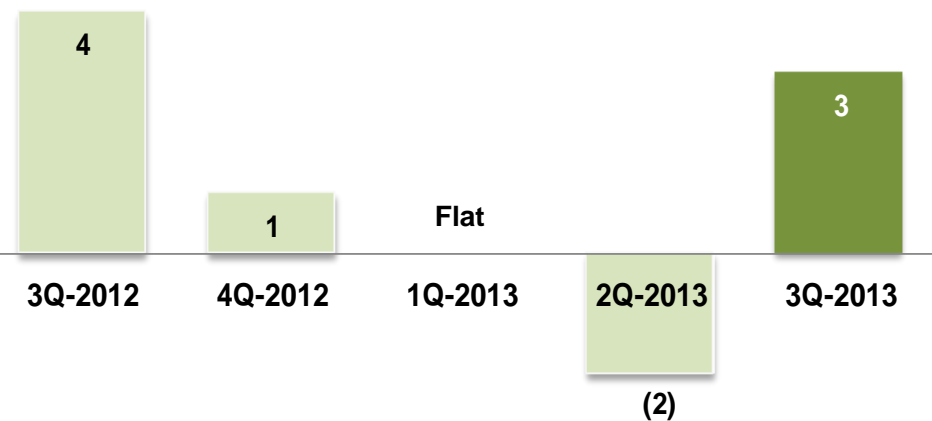
Broadband (3Q-2013 vs 3Q-2012)

- Revenue decreased 5%
- ARPU lower by S\$2 to S\$44
- Customer base grew 2k

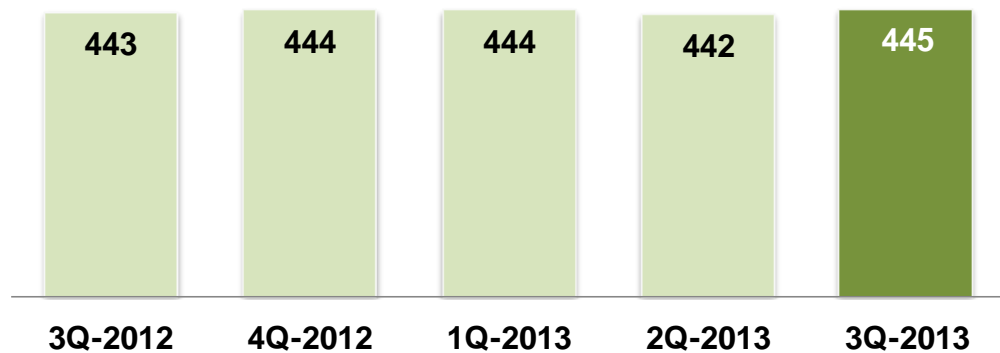


Residential Broadband Net Adds

Net Adds ('000)

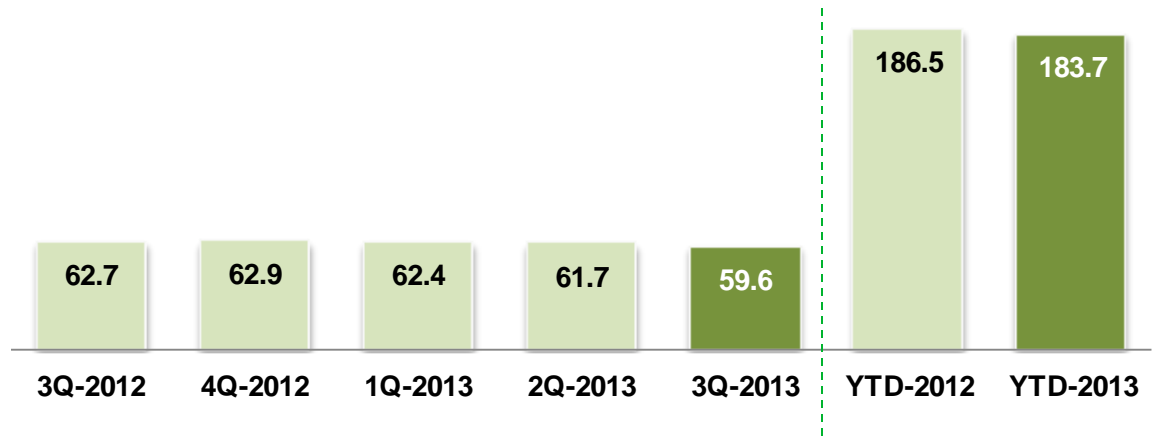


Customers ('000)

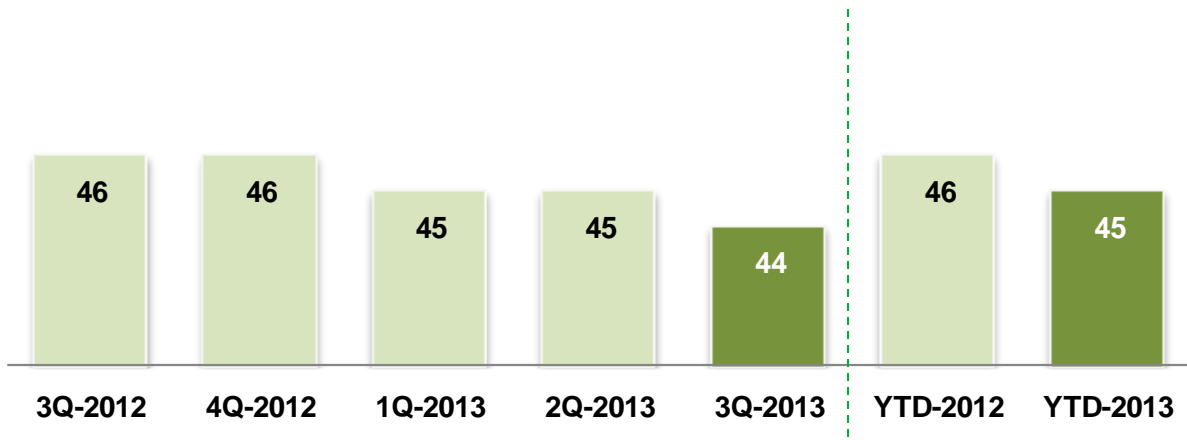


Broadband Revenue & ARPU

Broadband Revenue (S\$M)

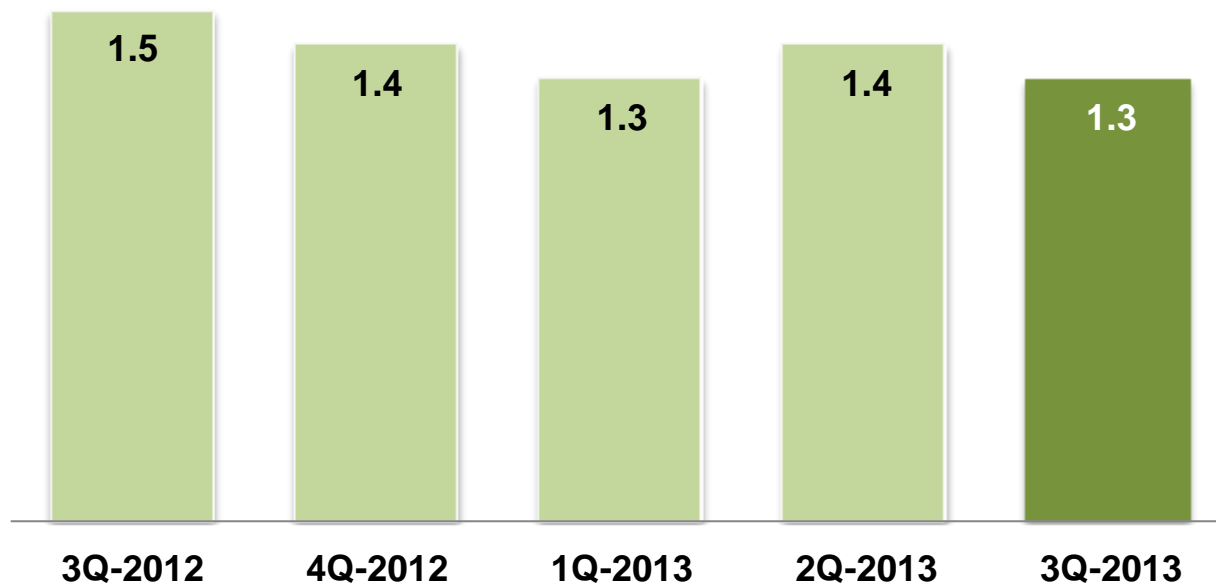


Residential Broadband ARPU (S\$ per month)



Residential Broadband Churn

Average Monthly Churn Rate (%)



3Q2013 Highlights

Financial Highlights

Business Highlights – Fixed Network Services

2013 Outlook

➤ Fixed Network Services (3Q-2013 vs 3Q-2012)

- Data & Internet revenue increased 3%
- Voice revenue grew 2%

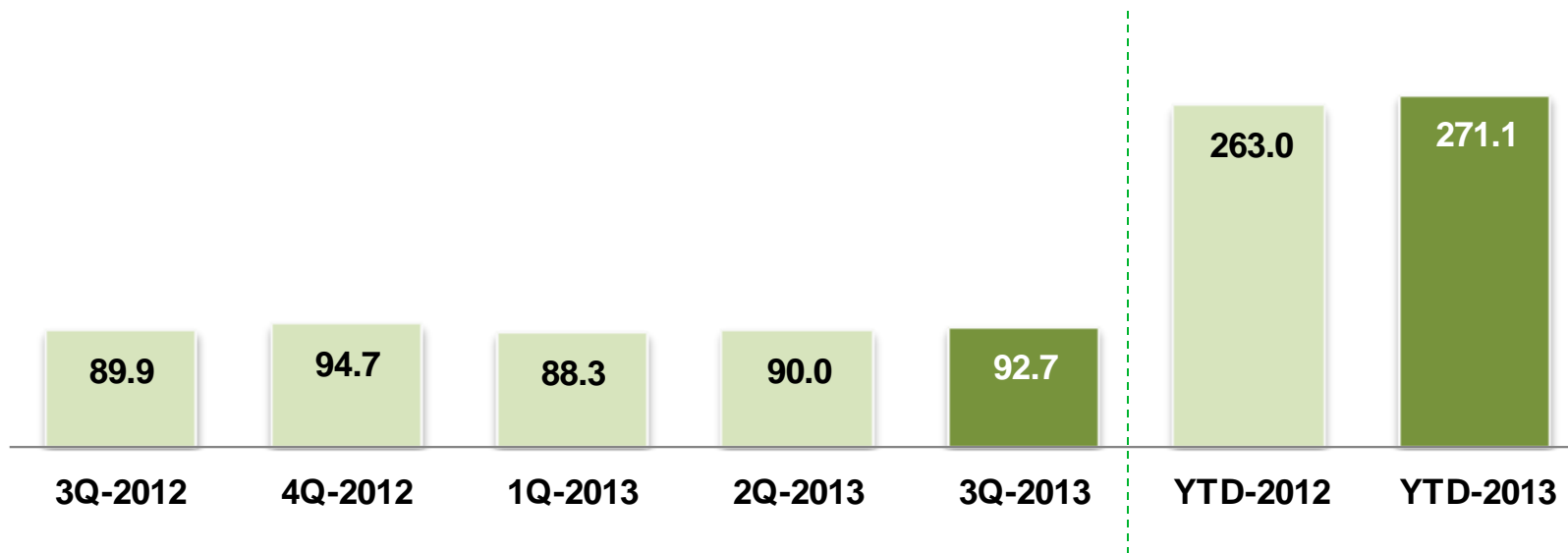


Better Enterprise Communications
One global partnership,
Limitless world-class opportunities



Fixed Network Services

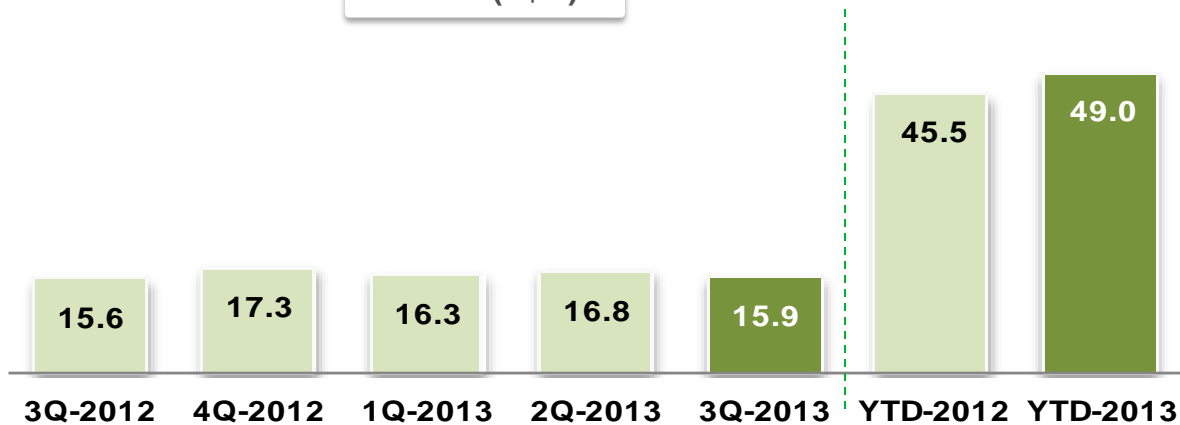
Fixed Network Revenue (S\$M)



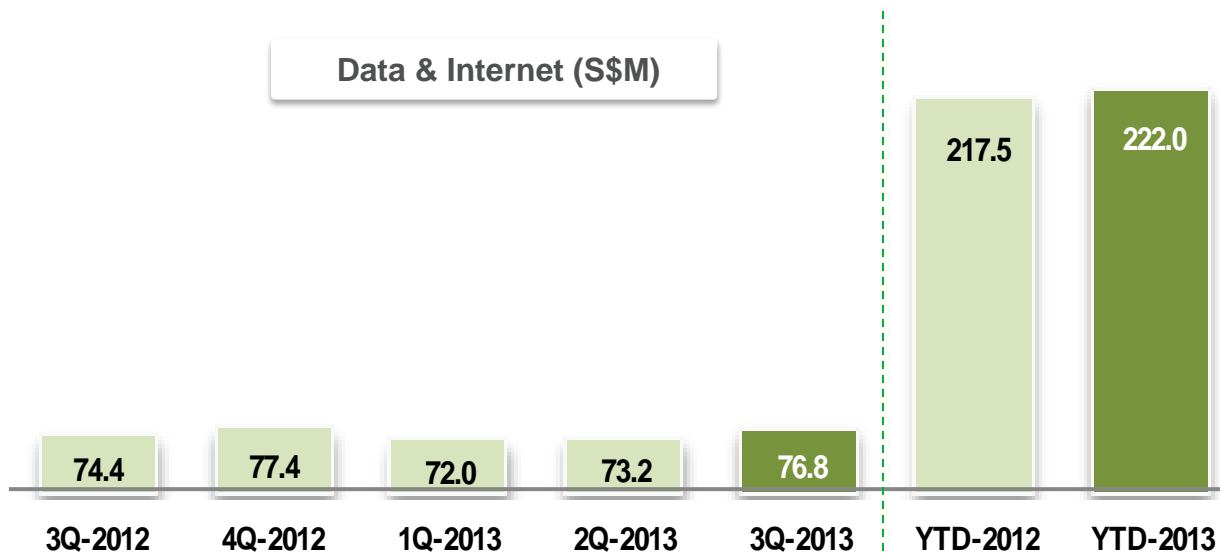
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Voice/Data & Internet

Voice (S\$M)



Data & Internet (S\$M)



3Q2013 Highlights

Financial Highlights

Business Highlights

2013 Outlook

- **Revenue:** Expect operating revenue to be lower than 2012 but service revenue to be maintained
- **EBITDA:** Revise EBITDA margin on service revenue to be about 32%
- **CAPEX:** Maintain cash capex to be about 13% of operating revenue
- **Dividend:** Recommend 3Q-2013 interim dividend of 5.0 cents per share
Intend to maintain annual cash dividend of 20.0 cents per share for FY2013

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