
StarHub

Many Lives of
**Hub
bing**

StarHub Ltd Annual Report 2014

A series of horizontal bars of varying lengths and shades of green and blue, some with a dotted pattern, located at the bottom of the green section.

StarHub 1Q-2015 Results

15 May 2015

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.



Agenda

1Q2015 Highlights

Financial Highlights

Business Highlights

2015 Outlook

Overview (1Q-2015 vs 1Q-2014)

Financial

- Total revenue increased 8%
- Service revenue decreased 1%
- EBITDA decreased 9%
- EBITDA margin at 30.0%
- NPAT decreased 12%

Operational

- Revenue growth in post-paid Mobile, Pay TV & Fixed Network
- Subscriber growth in post-paid Mobile, Pay TV & Residential Broadband
- Lowest Pay TV churn rate ever at 0.7%

Key Financial Highlights

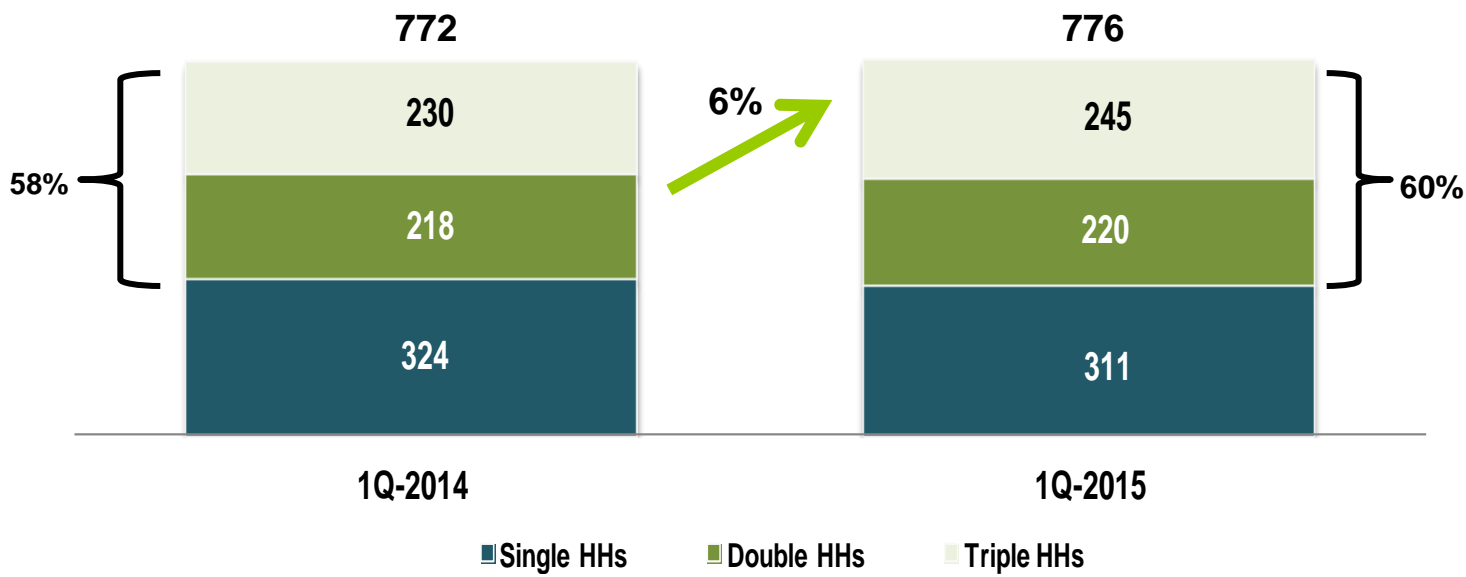
S\$M	1Q-2015	1Q-2014	Change
Total Revenue	618	571	8%
Service Revenue	540	544	-1%
EBITDA	162	177	-9%
EBITDA Margin	30.0%	32.6%	-2.6% pts
Taxation	(17)	(21)	-23%
Net Profit After Tax	74	84	-12%
Capex Cash Payments	96	67	-43%
% of Capex to Revenue	16	12	4% pts
FCF / Fully Diluted Share	-2.7¢	6.0¢	-144%
Net Debt to 2014 EBITDA ratio	0.62x	0.41x	0.21x

Revenue Contribution & Mix Details

	First Quarter Ended 31 March					
	2015		2014		Incr / (Decr)	
	S\$m	% mix	S\$m	% mix	S\$m	%
Total Revenue						
Mobile services	305.4	49.4	305.9	53.6	(0.5)	-0.2
Pay TV services	96.0	15.6	93.8	16.4	2.2	2.4
Broadband services	48.1	7.8	53.9	9.4	(5.8)	-10.8
Fixed Network services	90.9	14.7	90.2	15.8	0.7	0.8
Total service revenue	540.4	87.5	543.8	95.2	(3.4)	-0.6
Sale of equipment	77.5	12.5	27.6	4.8	49.9	180.9
Total Revenue	617.9	100.0	571.4	100.0	46.5	8.1

Hubbing Scorecard

Hubbing Households ('000)



* Numbers may not add up due to rounding.

1Q2015 Highlights

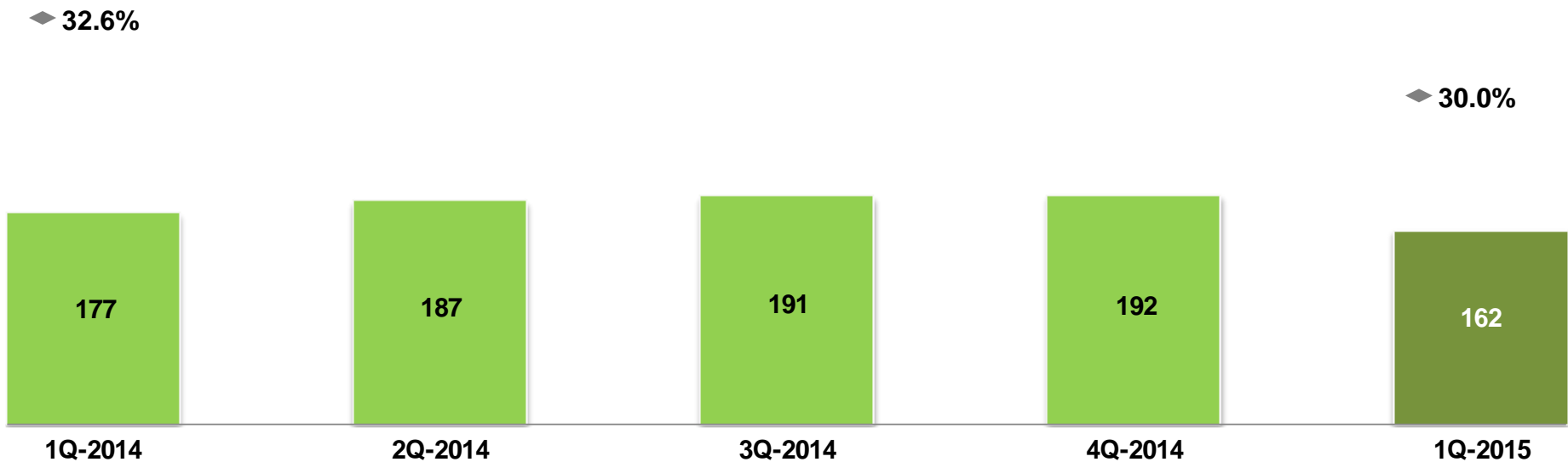
Financial Highlights

Business Highlights

2015 Outlook

EBITDA & EBITDA Margin

(S\$M)

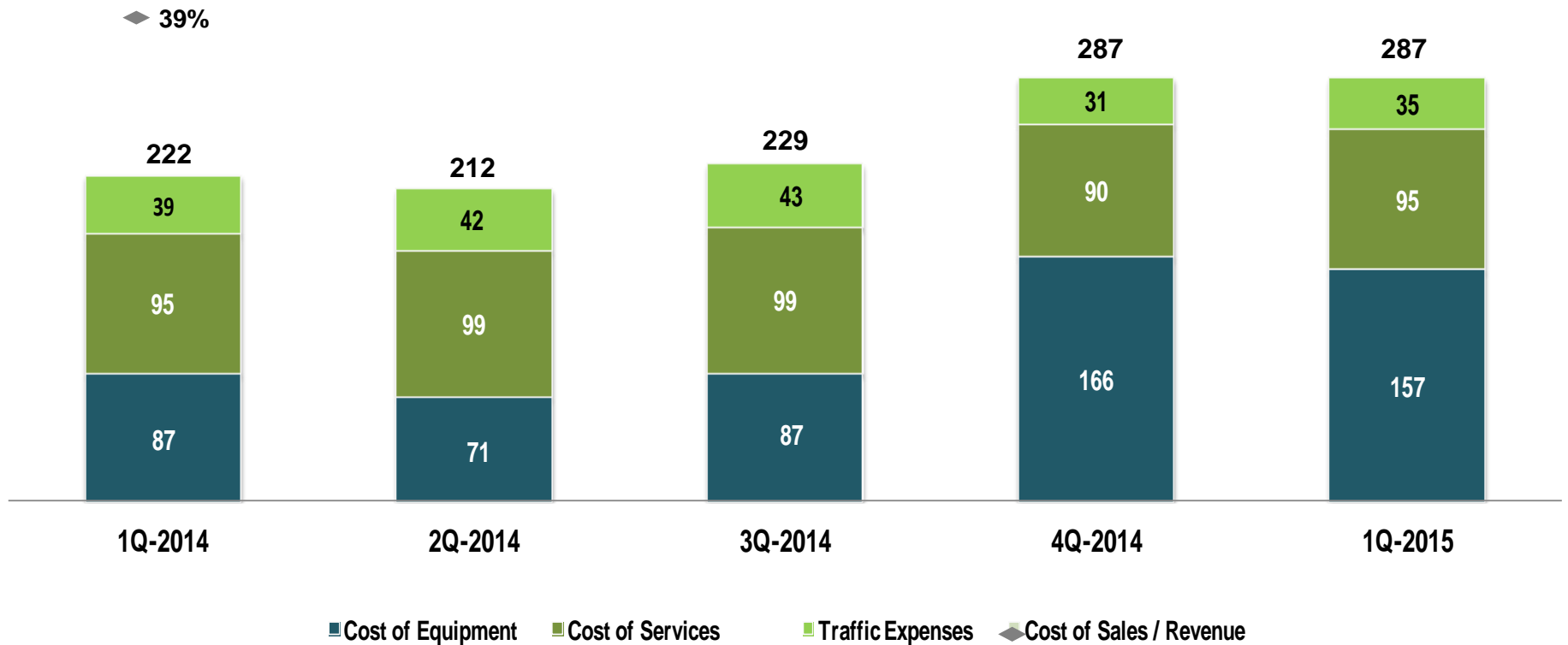


◆ EBITDA Margin as % of Service Revenue

Cost Of Sales

(S\$M)

◆ 46%



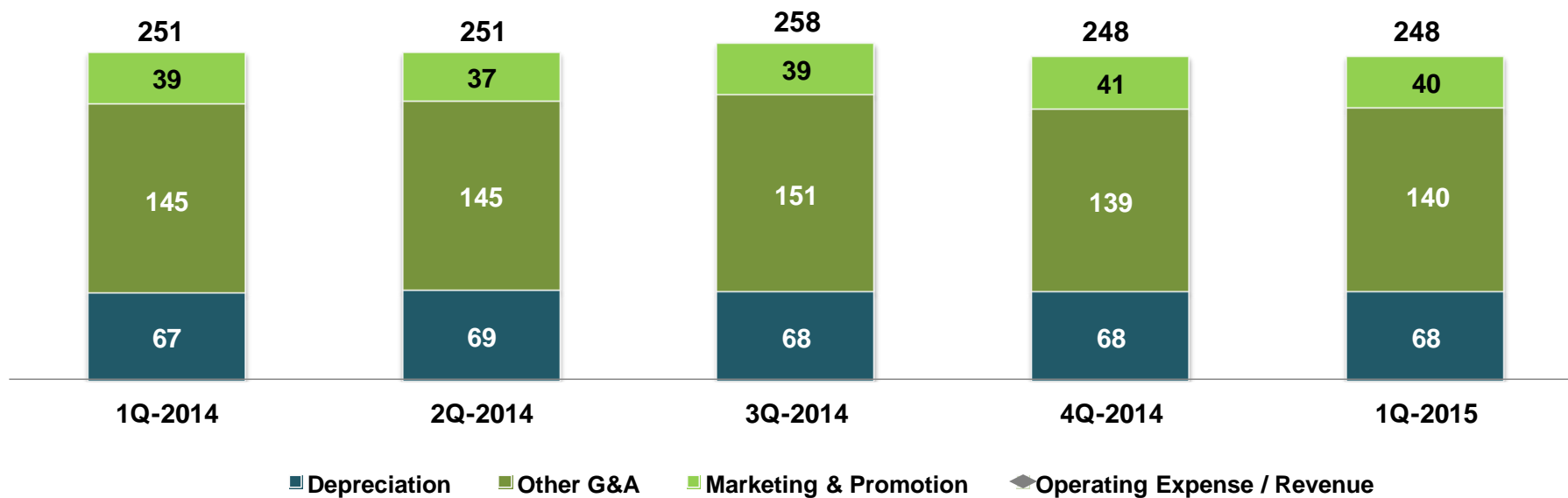
* Numbers may not add up due to rounding.

Other Operating Expenses

(S\$M)

◆ 44%

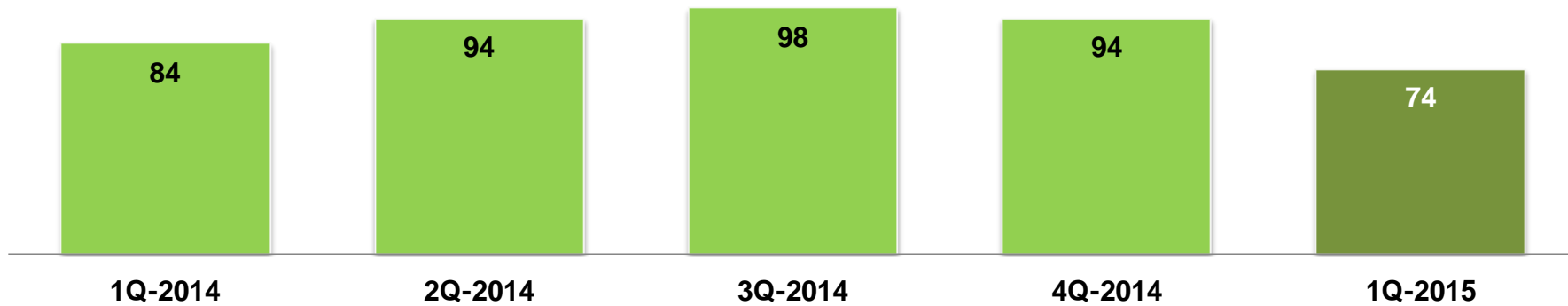
◆ 40%



* Numbers may not add up due to rounding.

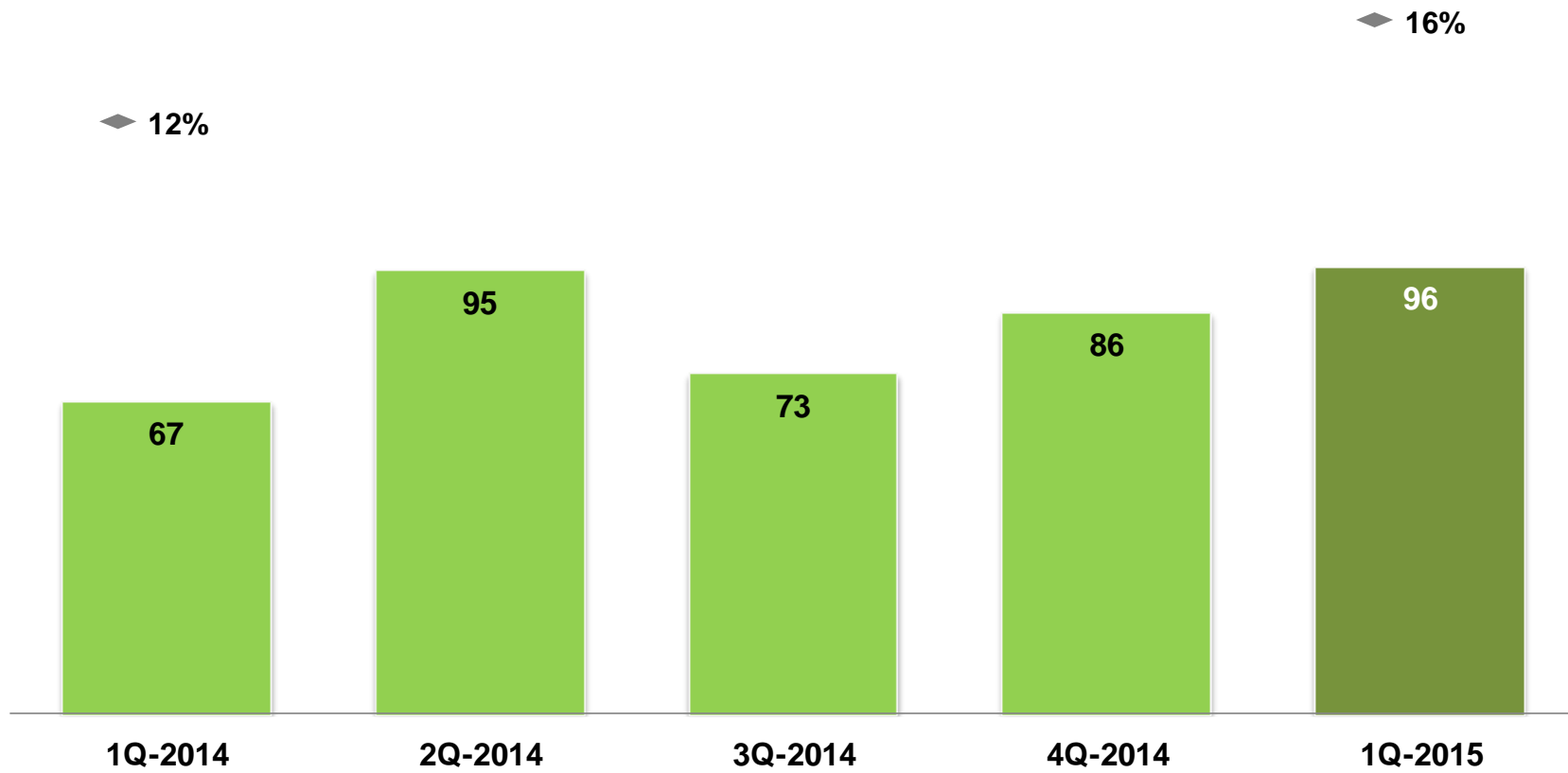
Net Profit After Tax

(S\$M)



Capex (cash payments)

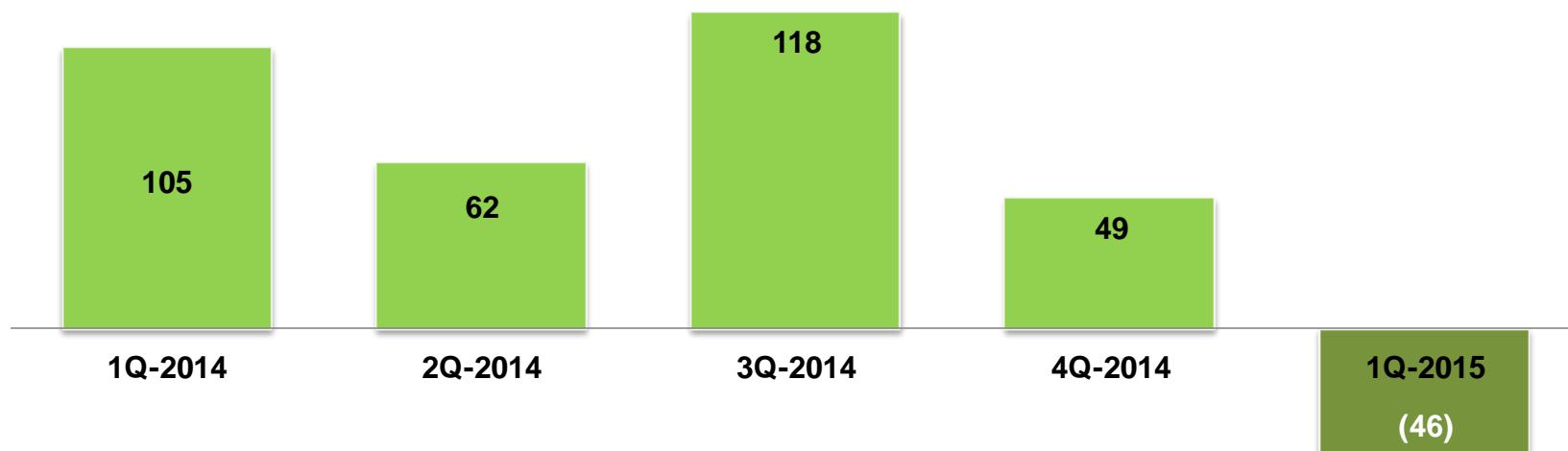
(S\$M)



◆ Capex/Revenue

Free Cash Flow

(S\$M)



1Q2015 Highlights

Financial Highlights

Business Highlights - Mobile

2015 Outlook

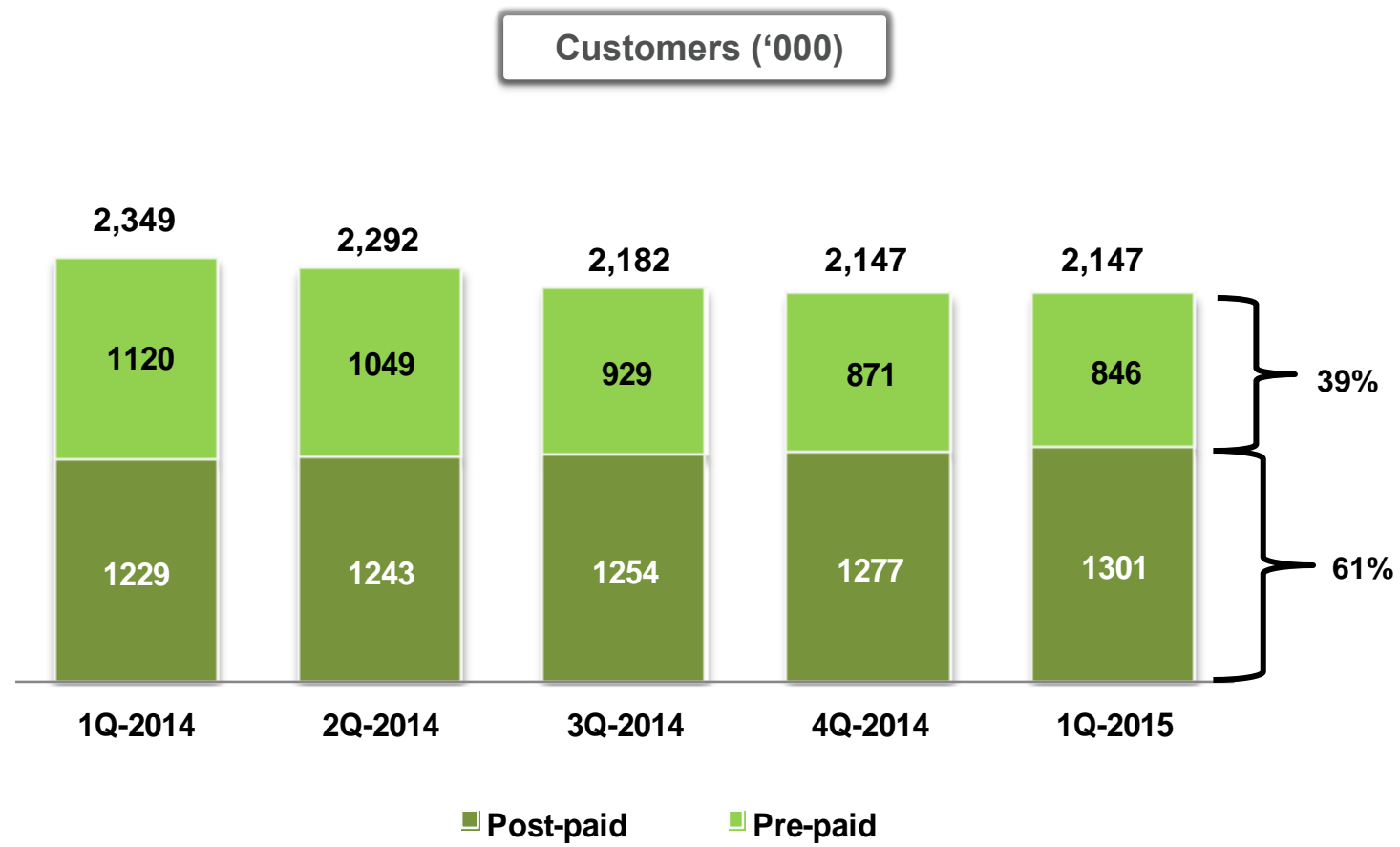
Mobile (1Q-2015 vs 1Q-2014)

- ✓ Mobile revenue flat
- ✓ Post-paid ARPU at S\$68
- ✓ Post-paid customer base grew 73k



More than 4G, it's
#4GHD

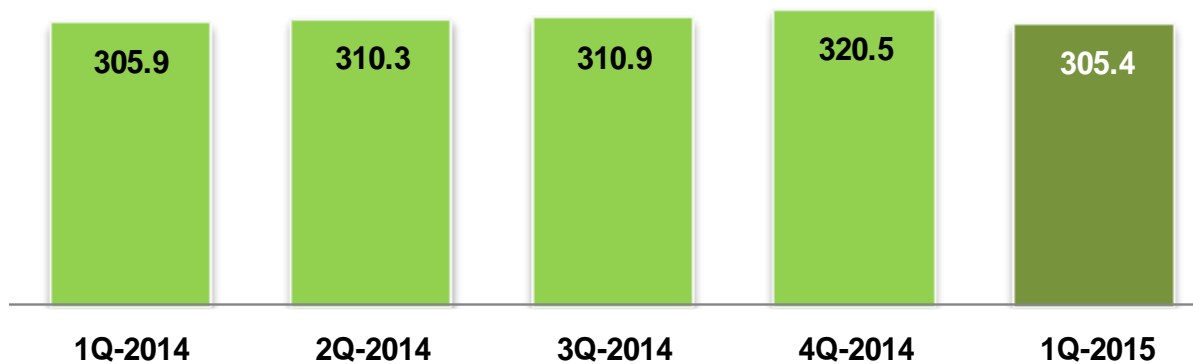
Mobile Customer Base



* Numbers may not add up due to rounding.

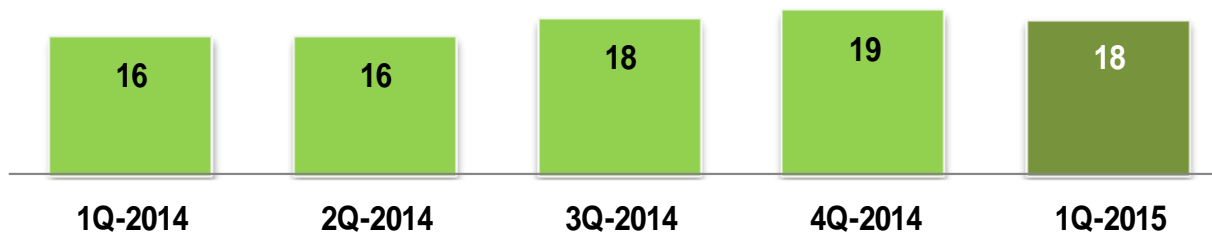
Mobile Revenue

Mobile Revenue (S\$M)

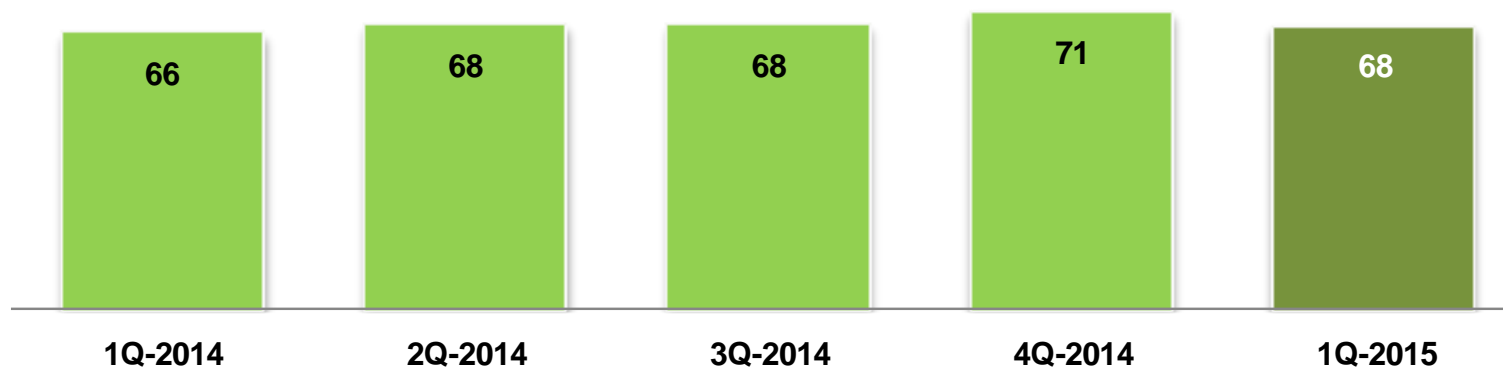


Mobile ARPU

Pre-paid ARPU (S\$ per month)



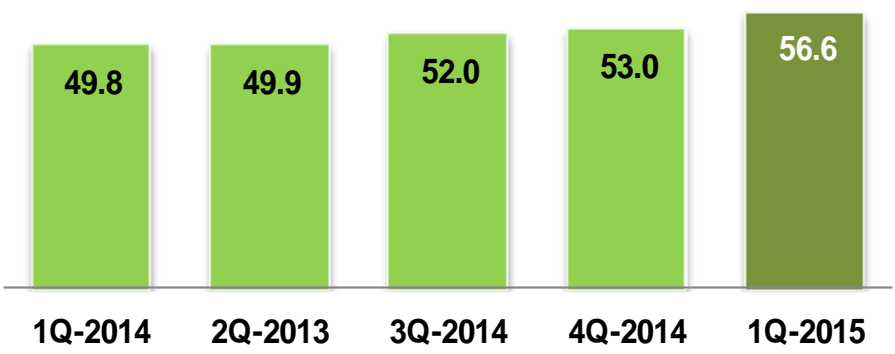
Post-paid ARPU* (S\$ per month)



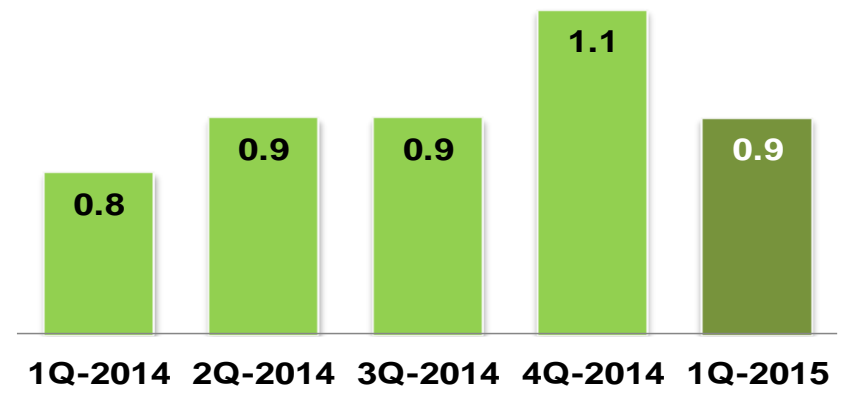
* Restated to exclude internal revenue

Mobile Non-Voice & Churn Trend

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



Post-paid Monthly Churn Rate (%)



* Restated to exclude internal revenue

1Q2015 Highlights

Financial Highlights

Business Highlights – Pay TV

2015 Outlook

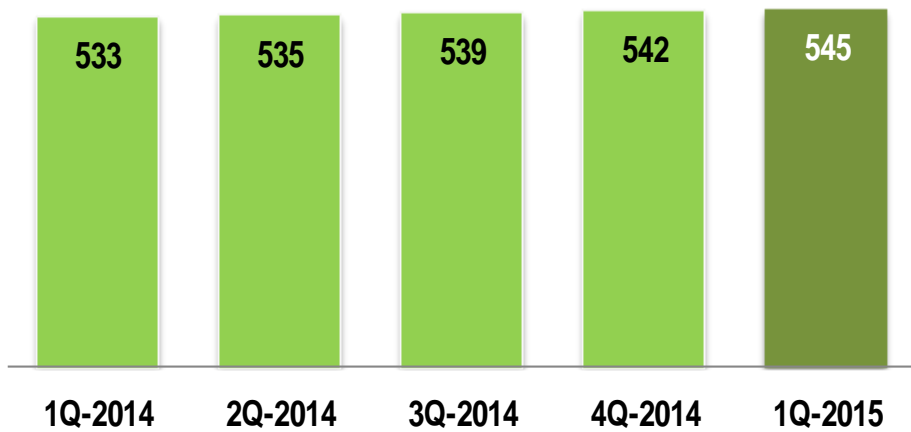
Pay TV (1Q-2015 vs 1Q-2014)

- ✓ Revenue grew 2%
- ✓ ARPU at S\$51
- ✓ Customer base increased 11k

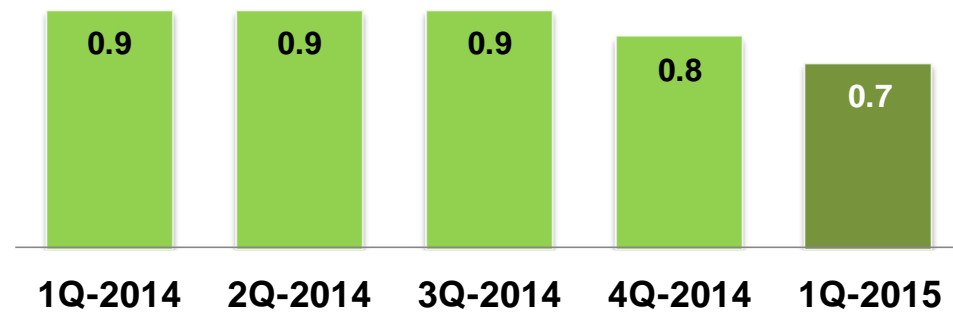


Pay TV Base & Churn

Customers ('000)

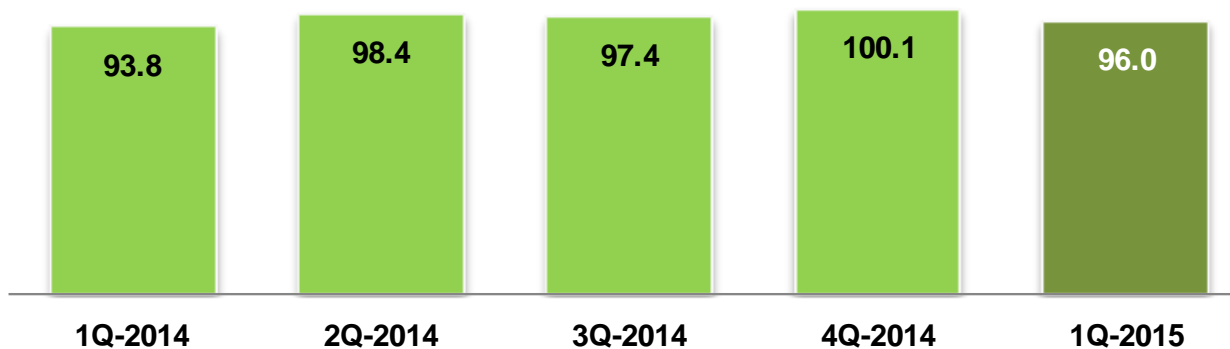


Average Monthly Churn Rate (%)

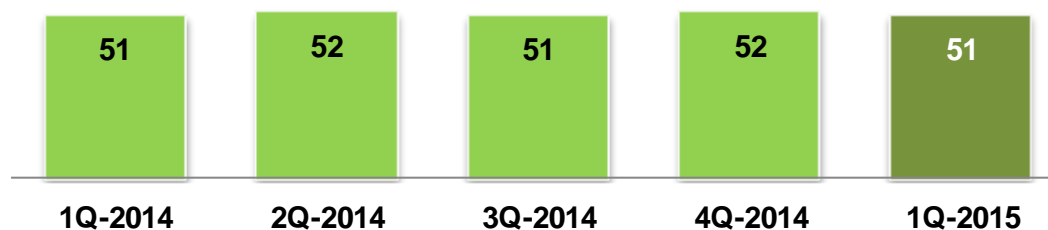


Pay TV Revenue & ARPU

Pay TV Revenue (S\$M)



Residential Pay TV ARPU* (S\$ per month)



* Restated to exclude internal revenue

1Q2015 Highlights

Financial Highlights

Business Highlights - Broadband

2015 Outlook

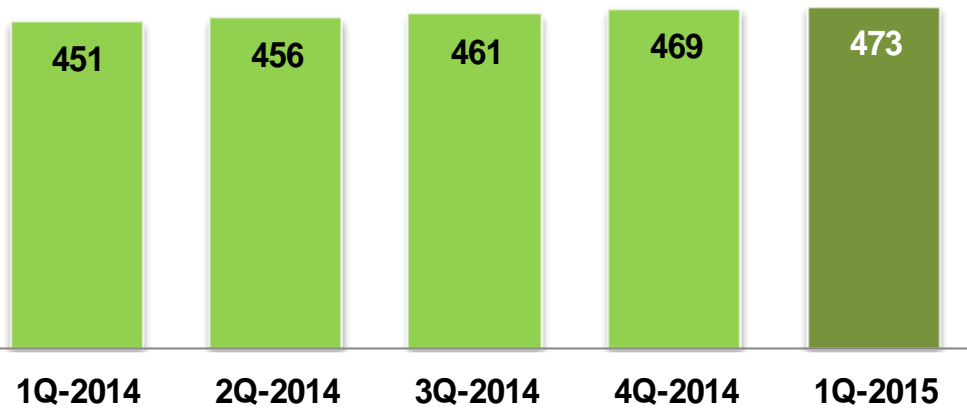
➤ Broadband (1Q-2015 vs 1Q-2014)

- ✓ Revenue decreased 11%
- ✓ ARPU at S\$33
- ✓ Customer base grew 22k

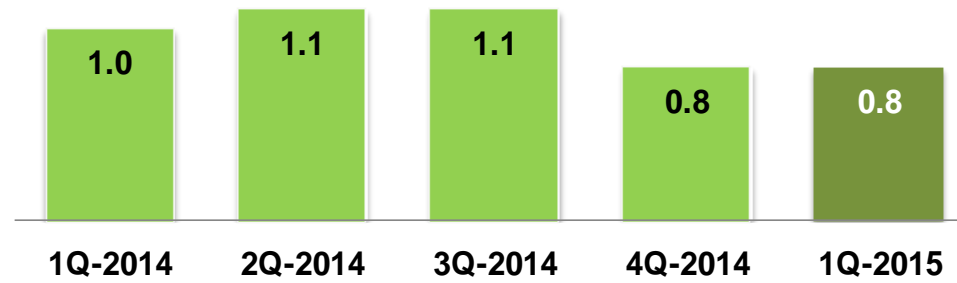


Broadband Base & Churn

Customers ('000)

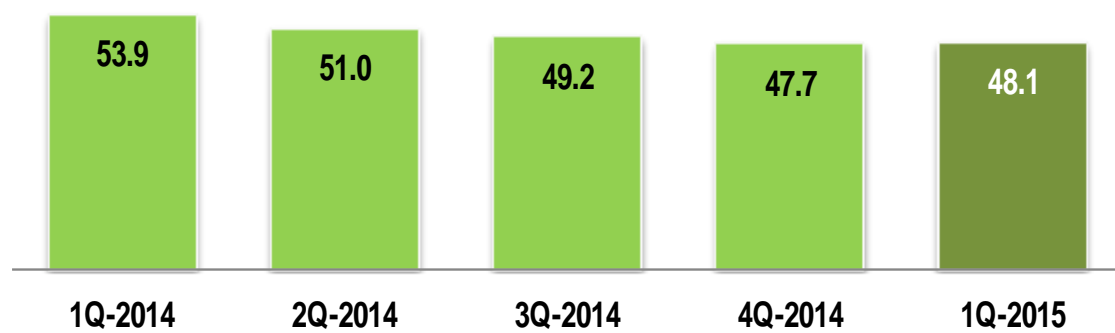


Average Monthly Churn Rate (%)

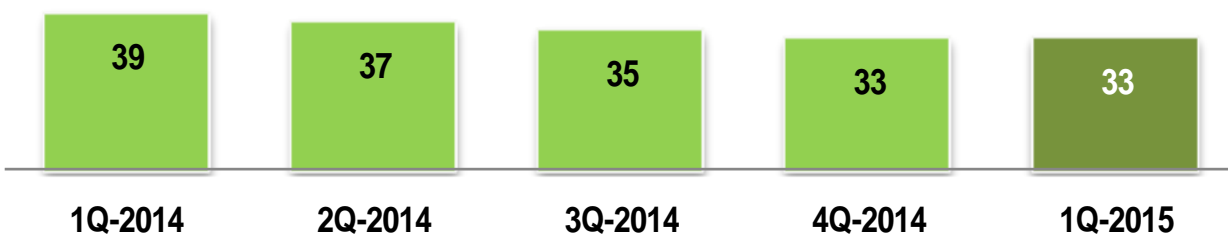


Broadband Revenue & ARPU

Broadband Revenue (S\$M)



Residential Broadband ARPU* (S\$ per month)



* Restated to exclude internal revenue

1Q2015 Highlights

Financial Highlights

Business Highlights – Fixed Network Services

2015 Outlook

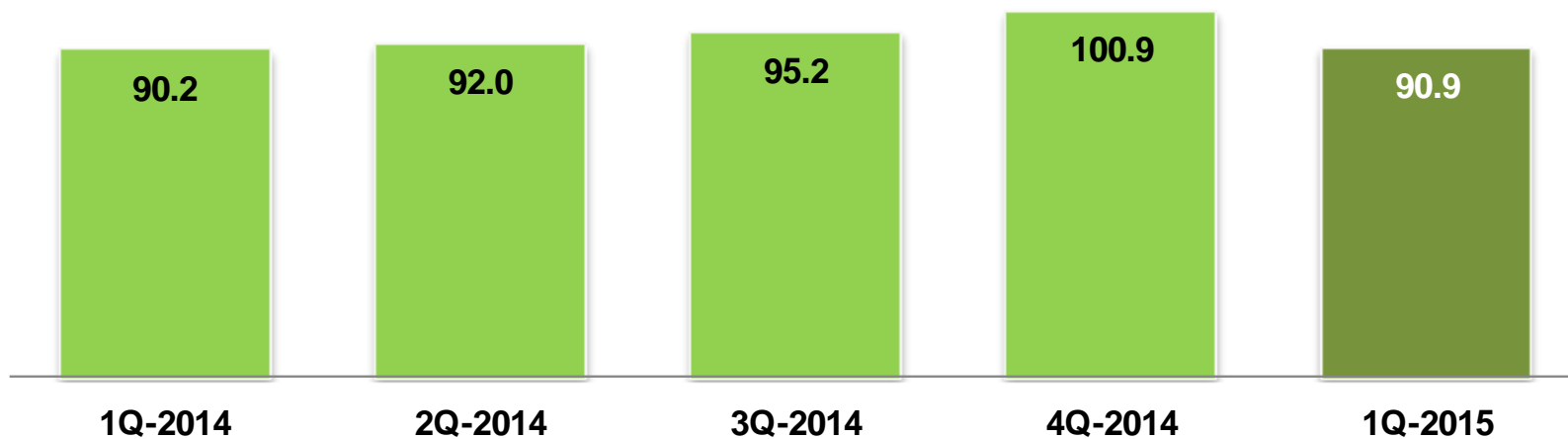
Fixed Network Services (1Q-2015 vs 1Q-2014)

- ✓ Data & Internet revenue increased 2%
- ✓ Voice revenue decreased 6%



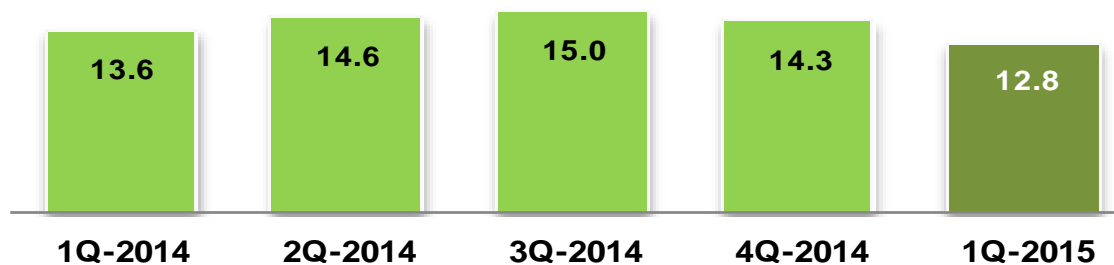
Fixed Network Services

Fixed Network Revenue (S\$M)

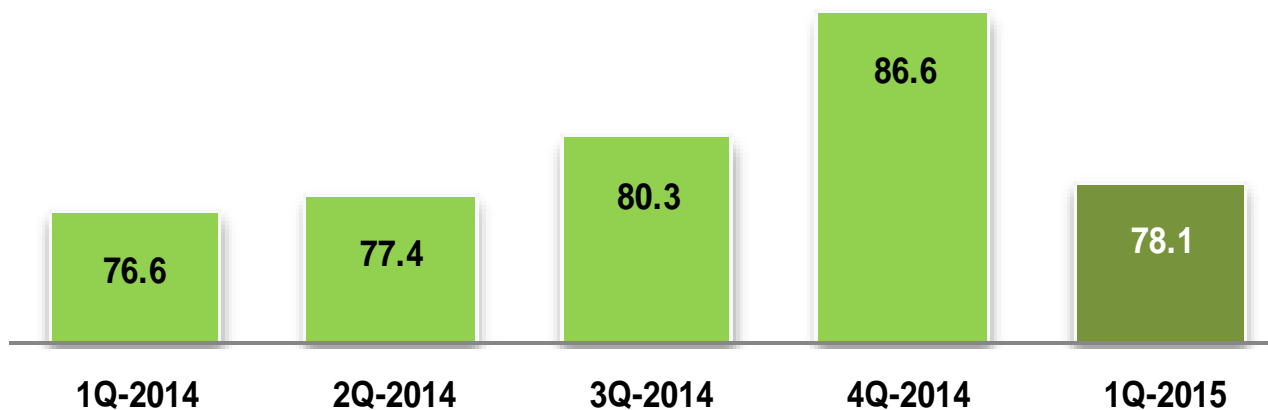


Voice/Data & Internet

Voice Revenue (S\$M)



Data & Internet Revenue (S\$M)



1Q2015 Highlights

Financial Highlights

Business Highlights

2015 Outlook

FY2015 Outlook

- ✓ **Revenue:** Maintain service revenue growth in the low single-digit range
- ✓ **EBITDA:** Maintain EBITDA margin on service revenue to be about 32%
- ✓ **CAPEX:** Maintain cash capex to be about 13% of total revenue
(excludes the MediaHub project)
- ✓ **Dividend:** Declare 1Q-2015 dividend of 5.0 cents per share
Intend to maintain annual cash dividend of 20.0 cents per share for FY2015



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