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STARHUB LTD

Announcement of Unaudited Results for the Second Quarter and Half Year ended 30 June 2015

StarHub is pleased to announce our unaudited results for the second quarter and half year ended 30 June 2015.

Results for the Second Quarter and Half Year ended 30 June 2015

1. GROUP INCOME AND COMPREHENSIVE INCOME STATEMENTS**1.1 GROUP INCOME STATEMENT**

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015 S\$m	2014 S\$m	Incr/ (Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr/ (Decr) S\$m	%
Total revenue	589.5	576.4	13.1	2.3	1,207.4	1,147.8	59.6	5.2
Operating expenses	(474.3)	(463.0)	11.3	2.4	(1,009.0)	(935.9)	73.1	7.8
Other income	9.3	5.3	4.0	74.1	20.0	17.4	2.6	15.3
Profit from operations	124.5	118.7	5.8	4.8	218.4	229.2	(10.8)	(4.7)
Finance income	0.3	0.6	(0.3)	(49.9)	0.9	1.2	(0.3)	(26.8)
Finance expenses ⁽¹⁾	(4.3)	(4.5)	(0.2)	(6.0)	(8.5)	(10.1)	(1.6)	(15.6)
Profit before taxation	120.5	114.8	5.7	4.9	210.8	220.4	(9.6)	(4.4)
Taxation	(21.4)	(20.5)	0.9	4.4	(38.0)	(41.9)	(3.9)	(9.4)
Profit for the period	99.1	94.3	4.8	5.0	172.8	178.5	(5.7)	(3.2)
Attributable to:								
Equity holders of the Company	99.1	94.3	4.8	5.0	172.8	178.5	(5.7)	(3.2)
	99.1	94.3	4.8	5.0	172.8	178.5	(5.7)	(3.2)
EBITDA	194.5	187.4	7.1	3.8	356.6	364.5	(7.9)	(2.2)
EBITDA as a % of service revenue	35.1%	34.0%	1.1% pts		32.6%	33.3%	-0.7% pts	
Free Cash Flow ⁽²⁾	103.1	61.9	41.2	66.4	56.8	166.5	(109.7)	(65.9)
<i>Profit from operations is arrived after charging the following:</i>								
<i>Allowance for doubtful receivables and bad debts written off</i>	3.8	3.8	0.0	0.9	7.6	7.6	(0.0)	0.6
<i>Depreciation and amortisation (net of asset grants)</i>	70.1	68.7	1.4	2.0	138.2	135.3	2.9	2.2
<i>Foreign currency exchange (gain) / loss</i>	(0.3)	(3.2)	(2.9)	(89.4)	2.5	(3.1)	5.6	nm

nm – Not meaningful

Notes:

- (1) Finance expenses include interest and other financing charges
- (2) Free Cash Flow refers to net cash from operating activities less purchase of fixed assets in the cash flow statement
- (3) Numbers in all tables may not exactly add due to rounding

1.2 GROUP COMPREHENSIVE INCOME STATEMENT

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015 S\$m	2014 S\$m	Incr/(Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr/(Decr) S\$m	%
Profit for the period	99.1	94.3	4.8	5.0	172.8	178.5	(5.7)	(3.2)
Other comprehensive income Items that are or may be reclassified subsequently to profit or loss:								
Foreign currency translation differences	(0.3)	(0.2)	0.1	17.6	0.1	(0.2)	0.3	nm
Effective portion of changes in fair value of cash flow hedge	(0.2)	(0.0)	0.2	nm	1.1	0.6	0.5	68.7
Other comprehensive income for the period (net of taxation)	(0.5)	(0.3)	0.2	75.1	1.2	0.5	0.7	154.3
Total comprehensive income for the period	98.6	94.0	4.6	4.8	174.0	179.0	(5.0)	(2.8)
Attributable to:								
Equity holders of the Company	98.6	94.0	4.6	4.8	174.0	179.0	(5.0)	(2.8)
	98.6	94.0	4.6	4.8	174.0	179.0	(5.0)	(2.8)

nm – Not meaningful

1.3 GROUP PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 JUNE 2015

(A) Revenue

Revenue	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%
Mobile	310.8	310.3	0.5	0.2	616.2	616.2	(0.0)	(0.0)
Pay TV	97.8	98.4	(0.6)	(0.6)	193.8	192.2	1.6	0.8
Broadband	49.0	51.0	(2.0)	(3.9)	97.1	104.9	(7.8)	(7.4)
Fixed Network Services	96.7	92.0	4.7	5.0	187.6	182.2	5.4	2.9
Total service revenue	554.3	551.8	2.5	0.5	1,094.7	1,095.6	(0.9)	(0.1)
Sale of equipment	35.2	24.7	10.5	42.6	112.7	52.3	60.4	115.7
Total	589.5	576.4	13.1	2.3	1,207.4	1,147.8	59.6	5.2

Revenue mix	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2015 Mix %	2014 Mix %	2015 Mix %	2014 Mix %
Mobile revenue	52.7	53.8	51.0	53.7
Pay TV revenue	16.6	17.1	16.1	16.7
Broadband revenue	8.3	8.8	8.0	9.1
Fixed Network services revenue	16.4	16.0	15.6	15.9
Sale of equipment	6.0	4.3	9.3	4.6
Total	100.0	100.0	100.0	100.0

Against 2Q last year, the Group's total revenue for the quarter ended 30 June 2015 was up S\$13.1 million or 2.3% to S\$589.5 million. Service revenue was up 0.5% to S\$554.3 million and sale of equipment was up 42.6% at S\$35.2 million for the quarter. Revenue for 1H-2015 was 5.2% higher at S\$1,207.4 million, with service revenue lower by 0.1% at S\$1,094.7 million when compared to 1H-2014.

Revenue from sale of equipment increased 42.6% to S\$35.2 million in 2Q-2015 due to higher re-contracts for the new smartphones. For the half-year period, revenue from sale of equipment at S\$112.7 million was 115.7% higher year-on-year (YoY) due to the continued demand for the new smartphones, launched late last year.

For 2Q-2015, the Group's service revenue was up 0.5% to S\$554.3 million, with the increase mainly from Fixed Network Services, offset by lower Broadband service revenue. For the half-year period, total service revenue was 0.1% or S\$0.9 million lower at S\$1,094.7 million because of lower Broadband service revenue, mitigated by higher revenue from Fixed Network and Pay TV services. Mobile service revenue remained at the same level as 1H-2014.

YoY, Fixed Network service revenue grew 5.0% for the quarter to S\$96.7 million and 2.9% for the half-year period to S\$187.6 million, contributed by higher take-up of Data & Internet services. Broadband service revenue decreased 3.9% to S\$49.0 million for the quarter and was 7.4% lower at S\$97.1 million in 1H-2015, largely impacted by price competition. Mobile service revenue for the quarter was 0.2% higher at S\$310.8 million from an increase in Post-paid mobile service revenue. The increase was however, offset by Pre-paid service revenue

which continued to decline in 2Q. As a result, the overall Mobile service revenue for the half-year period was maintained at S\$616.2 million when compared to the 1st half last year. This quarter's Pay TV service revenue was 0.6% lower at S\$97.8 million due mainly to lower advertising revenue. For 1H-2015, Pay TV service revenue rose 0.8% to S\$193.8 million, contributed mainly by higher subscription revenue, offset by lower advertising revenue.

(B) Operating expenses

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
Operating expenses	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Cost of sales	225.6	212.0	13.6	6.4	512.2	433.5	78.7	18.1
Other operating expenses	248.7	251.0	(2.3)	(0.9)	496.8	502.4	(5.6)	(1.1)
Total	474.3	463.0	11.3	2.4	1,009.0	935.9	73.1	7.8

For the quarter, total operating expenses was up 2.4% YoY to S\$474.3 million and for the half-year period, increased 7.8% to S\$1,009.0 million. The increase was driven mainly by the higher cost of sales.

As a percentage of revenue, total operating expenses were higher at 80.5% for the quarter and 83.6% in 1H-2015, up from 80.3% and 81.5% in the corresponding periods last year.

Details of total operating expenses are as follows:

(i) Cost of sales

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
Cost of sales	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Cost of equipment sold	90.7	70.8	19.9	28.0	247.7	158.2	89.5	56.5
Cost of services	100.0	98.9	1.1	1.2	195.0	194.1	0.9	0.5
Traffic expenses	34.9	42.4	(7.5)	(17.7)	69.5	81.2	(11.7)	(14.4)
Total	225.6	212.0	13.6	6.4	512.2	433.5	78.7	18.1

Cost of sales increased 6.4% to S\$225.6 million in 2Q-2015, and for the half year, was up 18.1% to S\$512.2 million, due mainly to higher cost of equipment sold, mitigated by lower traffic expenses.

Cost of equipment sold increased 28.0% to S\$90.7 million in 2Q-2015, and was 56.5% higher at S\$247.7 million in 1H-2015. The increase was due to higher unit costs and quantity sold for the new smartphones launched late last year, which continued to record strong demand for the first half of this year.

Compared to 2Q-2014, this quarter's cost of services at S\$100.0 million was 1.2% higher, and for the half-year period, increased 0.5% to S\$195.0 million. The higher costs were attributed to higher NGNBN service costs, mitigated by lower Pay TV programming costs and fixed network services costs.

Traffic expenses for the quarter and half-year periods were lower at S\$34.9 million and S\$69.5 million respectively, primarily due to lower international traffic volume.

(ii) Other operating expenses

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
Other operating expenses	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Staff costs	68.3	69.8	(1.5)	(2.1)	134.9	136.9	(2.0)	(1.5)
Operating leases	32.7	32.2	0.5	1.8	52.7	64.7	(12.0)	(18.5)
Marketing and promotions	31.0	37.1	(6.1)	(16.5)	70.7	76.5	(5.8)	(7.6)
Allowance for doubtful receivables	3.8	3.8	0.0	0.9	7.6	7.6	(0.0)	0.6
Repair and maintenance	18.2	20.0	(1.8)	(9.0)	40.0	40.0	0.0	0.0
Other expenses	24.6	19.5	5.1	26.0	52.7	41.4	11.3	27.1
Sub total	178.6	182.3	(3.7)	(2.0)	358.6	367.1	(8.5)	(2.3)
Depreciation and amortisation (net of asset grants)	70.1	68.7	1.4	2.0	138.2	135.3	2.9	2.2
Total	248.7	251.0	(2.3)	(0.9)	496.8	502.4	(5.6)	(1.1)

Total other operating expenses for the quarter were 0.9% lower at S\$248.7 million. For the half-year period, total other operating expenses were 1.1% lower at S\$496.8 million in 1H-2015.

As a percentage of revenue, other operating expenses were lower at 42.2% for the quarter and 41.2% in 1H-2015, down from 43.5% and 43.8% in the corresponding periods last year.

Analysis of major variances in other operating expenses is provided below:

Staff costs

Staff costs for the quarter at S\$68.3 million and half-year period at S\$134.9 million were lower by 2.1% and 1.5% respectively. The lower YoY costs were attributable to lower temporary staff costs, share-based payment expenses and leave pay provision, offset by higher salaries due to annual increment and variable bonus provision.

Operating leases

Operating leases for the quarter was S\$0.5 million or 1.8% higher at S\$32.7 million due mainly to the increase in office rental rates. For the half year, the current higher operating lease expenses were lowered by the reversal of excess accruals in 1Q-2015 for international capacity leases which have been concluded at lower prices.

Marketing and promotions

Marketing and promotions decreased 16.5% to S\$31.0 million in 2Q-2015, and was 7.6% lower at S\$70.7 million in 1H-2015, mainly due to lower spending on customers' acquisition and retention programs, coupled with a decrease in advertising and marketing expenditure.

Repair and maintenance

Compared to 2Q-2014, this quarter's repair and maintenance was S\$1.8 million or 9.0% lower at S\$18.2 million due to the write back of excess accruals not required. For the half-year period, repair and maintenance was S\$40.0 million, same as 1H-2014.

Other expenses

Other expenses for the quarter were S\$5.1 million or 26.0% higher at S\$24.6 million, and half-year periods were S\$11.3 million or 27.1% higher at S\$52.7 million. The increases were attributable to the higher exchange losses this year from a stronger USD, and increased outsourcing and professional fees expenses, and lower cost recoveries of network construction projects.

(C) Other income

Other income for the quarter was S\$4.0 million higher at S\$9.3 million when compared to 2Q-2014 due to the absence of 1Q-2014 NGNBN adoption grant claim, which was processed late in that year. For the half year, other income was higher by S\$2.6 million or 15.3% at S\$20.0 million when compared to last year.

(D) Profitability

For 2Q-2015, profit from operations was S\$5.8 million or 4.8% higher at S\$124.5 million. The increase was attributable to the increase in adoption grant income of S\$4.0 million, and an increase of S\$1.8 million contributed from operations this quarter.

For the half-year period, profit from operations at S\$218.4 million was lower by S\$10.8 million or 4.7% attributed to higher handset subsidies, driven by increased customers re-contracted and acquired. The higher costs of sales were partially mitigated by lower traffic expenses. In the 1st half year, the accelerated acquisition and re-contract programs for our businesses, while led to the higher costs of sales, resulted in improved revenue performances, especially in our Post-paid Mobile and Fixed businesses, and slowed the decline in the quarterly Broadband revenue.

EBITDA for the quarter at S\$194.5 million was 3.8% higher YoY, and for the half-year period, decreased 2.2% to S\$356.6 million. As a percentage of service revenue, EBITDA margin was 35.1% in 2Q-2015 and 32.6% in 1H-2015, compared to 34.0% and 33.3% in the corresponding periods last year.

For the quarter and half-year periods, finance income was S\$0.3 million lower YoY at S\$0.3 million in 2Q-2015 and S\$0.9 million in 1H-2015.

This quarter's finance expenses at S\$4.3 million was S\$0.2 million lower, and for the half-year period, decreased S\$1.6 million to S\$8.5 million as 1H-2014 included facility fees for new bank loan facilities.

Compared to 2Q-2014, profit before taxation was 4.9% higher at S\$120.5 million for the quarter, and for the half-year period, decreased 4.4% YoY to S\$210.8 million.

Taxation for the quarter was 4.4% higher at S\$21.4 million when compared to 2Q-2014, and was 9.4% lower YoY at S\$38.0 million in 1H-2015. Effective tax rate for the quarter and half-year periods were approximately 18.0%, due mainly to certain non-deductible expenses for tax purposes.

Profit after taxation was up 5.0% YoY to S\$99.1 million for the quarter, and 3.2% lower at S\$172.8 million in 1H-2015.

2. BUSINESS REVIEW

Mobile Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Mobile revenue	310.8	310.3	0.5	0.2	616.2	616.2	(0.0)	(0.0)

Mobile operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun 2015	31 Mar 2015	30 Jun 2014	30 Jun 2015	30 Jun 2014	Incr/(Decr) %
Number of registered customers (in thousands)						
Post-paid	1,313	1,301	1,243	1,313	1,243	5.6
Pre-paid	849	846	1,049	849	1,049	(19.0)
Total	2,162	2,147	2,292	2,162	2,292	(5.7)
Monthly minutes of use per registered customer						
Post-paid	224	232	250	228	252	(9.6)
Pre-paid	289	304	299	297	308	(3.7)
ARPU with IDD included (S\$ per month)						
Post-paid	70	68	68	69	67	2.8
Pre-paid	18	18	16	18	16	12.0
Non-voice service as a contribution to ARPU						
Post-paid	56.0%	56.6%	49.9%	56.3%	49.9%	-
Pre-paid	26.8%	25.9%	22.3%	26.3%	22.1%	-
Average monthly churn rate (post-paid)	0.9%	0.9%	0.9%	0.9%	0.9%	-
Singapore mobile penetration ⁽¹⁾	148.4%	148.2%	153.9%	148.4%	153.9%	-
Market Share ⁽¹⁾	26.5%	26.5%	27.6%	26.5%	27.6%	-

Note:

(1) Source : IDA (As at May 2015)

Compared to 2Q-2014, overall mobile service revenue was S\$0.5 million higher at S\$310.8 million in this quarter. The increase was contributed by higher revenue from Post-paid mobile service revenue driven by higher subscription revenue from a larger customer base. This was however, offset by lower revenue from Pre-paid mobile services. For the half-year period, total mobile service revenue totaled S\$616.2 million, same as last year 1H.

Post-paid mobile services

As at 30 June 2015, Post-paid mobile subscriber base was 1,313,000 subscribers after the quarter's net addition of 11,700 subscribers. Compared to a year ago, Post-paid customer base expanded by 69,600 customers or 5.6%. 63% of these subscribers are on tiered data mobile subscription plans, compared to 57% a year ago.

Compared to the corresponding periods last year, Post-paid mobile ARPU was S\$2 higher at S\$70 in 2Q-2015 and S\$69 in 1H-2015. The higher Post-paid ARPU in current periods were driven by new 4G tiered data plans with higher monthly subscriptions and higher data usage from the expanded base of customers on tiered data plans.

As a percentage of Post-paid mobile ARPU, Post-paid non-voice was higher at 56.0% in this quarter and 56.3% for the half year, when compared to 49.9% last year.

Monthly average Post-paid mobile churn was maintained at 0.9% in the current periods.

Pre-paid mobile services

As at 30 June 2015, Pre-paid mobile customer base was 849,000 customers after the quarter's net addition of 3,700 customers. Compared to a year ago, Pre-paid customer base was lower by 19.0%, impacted by the expiry of cards and the restriction of 3 SIM cards per customer which came into effect on 1 April 2014.

Compared to the corresponding periods last year, Pre-paid mobile ARPU was S\$2 higher at S\$18 in the current periods due to the lower customer base as a result of expired cards. Pre-paid non-voice component as a percentage of Pre-paid mobile ARPU was higher at 26.8% in 2Q-2015 and 26.3% in 1H-2015, compared to 22.3% in 2Q-2014 and 22.1% in 1H-2014.

Pay TV Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Pay TV revenue	97.8	98.4	(0.6)	(0.6)	193.8	192.2	1.6	0.8

Pay TV operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun	31 Mar	30 Jun	30 Jun		Incr/(Decr)
	2015	2015	2014	2015	2014	%
Number of residential Pay TV customers (in thousands)	545	545	535	545	535	2.0
ARPU (S\$ per month)	52	51	52	51	51	0.1
Average monthly churn rate	0.8%	0.7%	0.9%	0.7%	0.9%	-
StarHub's penetration	41.0%	41.3%	41.7%	41.0%	41.7%	-

Pay TV service revenue was 0.6% lower at S\$97.8 million for the quarter, due to lower advertising revenue. For the half-year period, service revenue increased 0.8% to S\$193.8 million, driven by higher subscription revenue from a larger customer base but offset by lower advertising revenue.

As at 30 June 2015, our Pay TV subscriber base totaled 545,000 subscribers, and was up by 10,500 customers or 2.0% when compared to a year ago.

Pay TV ARPU was S\$52 for the quarter and S\$51 for the half-year period for both 2015 and 2014.

Pay TV monthly average churn was lower at 0.8% in 2Q-2015 compared to last year's 0.9%. For the half year, Pay TV monthly average churn was lower at 0.7% in 1H-2015 as compared to 0.9% last year. The lower churn was attributed to our continued efforts in proactive customer retention initiatives, and attractive content packaging and hubbing bundle promotions.

Broadband Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Broadband revenue	49.0	51.0	(2.0)	(3.9)	97.1	104.9	(7.8)	(7.4)

Broadband operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun	31 Mar	30 Jun	30 Jun		Incr/(Decr)
	2015	2015	2014	2015	2014	%
Number of residential total broadband customers - subscription-based (in thousands)	475	473	456	475	456	4.1
Number of total fibre broadband customers - subscription-based (in thousands)	217	193	144	217	144	51.0
ARPU (S\$ per month)	33	33	37	33	38	(11.9)
Average monthly churn rate	0.9%	0.8%	1.1%	0.9%	1.1%	-

For the quarter, Broadband service revenue was 3.9% lower at S\$49.0 million, and for the half year, decreased 7.4% to S\$97.1 million. The lower revenue was primarily impacted by price competition which lowered subscription revenue from both re-contracting and new customers. This resulted in lower Broadband ARPU of S\$33 in the current periods, down from S\$37 in 2Q-2014 and S\$38 in 1H-2014.

As at 30 June 2015, Broadband residential subscriber base was 475,000 subscribers after the quarter's net addition of 1,900 subscribers. Against a year ago, the Broadband subscriber base expanded by 18,700 customers or 4.1%.

Broadband average monthly churn reduced from last year's 1.1% to 0.9% in the current periods, due to our proactive retention programs and hubbing bundles promotions.

Fixed Network Services

Fixed Network Services Revenue	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%
Data & Internet	83.0	77.4	5.6	7.1	161.1	154.0	7.1	4.6
Voice services	13.7	14.6	(0.9)	(6.1)	26.5	28.2	(1.7)	(6.1)
Total	96.7	92.0	4.7	5.0	187.6	182.2	5.4	2.9

Fixed Network service revenue rose 5.0% to S\$96.7 million for the quarter, and increased 2.9% to S\$187.6 million for the half-year period. The higher revenue was contributed by higher Data & Internet service revenue, offset by lower Voice service revenue.

Compared to the corresponding periods last year, Data & Internet revenue increased S\$5.6 million or 7.1% to S\$83.0 million for the quarter. For 1H-2015, this was S\$7.1 million or 4.6% higher at S\$161.1 million. The increases in both periods were mainly driven by higher take-up for our domestic circuits, internet services and enterprise solutions.

For the quarter and half-year periods, Voice service revenue was lower by 6.1% YoY to S\$13.7 million and S\$26.5 million respectively, due mainly to lower IDD usages.

Hubbing (Multi-Service Households)

Hubbing Metrics	As at			YoY
	30 Jun 2015	31 Mar 2015	30 Jun 2014	Incr/(Decr) %
Total hubbing households with at least one service of post-paid mobile, pay TV and/or broadband services (in thousands)	775.7	775.8	770.8	0.6
Percentage of total hubbing households which subscribe to any two services	28.3%	28.4%	28.2%	0.1% pts
Percentage of total hubbing households which subscribe to all three services	31.7%	31.6%	30.4%	1.3% pts
Percentage of total hubbing households which subscribe to two or more services	60.0%	60.0%	58.6%	1.4% pts
Total Singapore occupied homes (in thousands, estimated) ⁽¹⁾	1,230	1,230	1,210	1.7

Note:

(1) Source: Nielsen Media Research for 2014 estimates

As at 30 June 2015, the total number of households who subscribed to at least one of our hubbing services was 775,700 households, up from 770,800 households a year ago.

As a percentage of total hubbing households, our triple service households expanded from 30.4% a year ago to 31.7% as at 30 June 2015. Our triple hubbing services households totaled 246,000 households as at 30 June 2015 after the quarter's net addition of 1,200 households. Compared to a year ago, this was an increase of 12,000 households or 5.1% higher.

The percentage of households who subscribed to two or more services was higher at 60.0% as at 30 June 2015, up from 58.6% of total hubbing households a year ago.

3. GROUP CASH FLOW STATEMENT

	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2015 S\$m	2014 S\$m	2015 S\$m	2014 S\$m
Operating Activities				
Profit before taxation	120.5	114.8	210.8	220.4
Adjustments for :				
Depreciation and amortisation (net of asset grants)	70.1	68.7	138.2	135.3
Income related grants	(9.3)	(5.3)	(20.0)	(17.4)
Share-based payments expenses	2.7	3.3	4.8	5.1
Changes in fair value of financial instruments	1.9	0.3	1.9	1.2
Net finance expenses	4.0	3.9	7.6	8.9
Other non-cash items	0.1	0.3	0.3	0.5
Operating cash flow before working capital changes	190.0	186.0	343.6	354.0
Changes in working capital	10.8	3.7	(71.7)	7.6
Income tax (paid) / refund	(35.3)	(32.7)	(56.3)	(32.6)
Net cash from operating activities	165.5	157.0	215.6	329.0
Investing Activities				
Proceeds from disposal of fixed assets	0.2	0.2	0.4	0.5
Purchase of fixed assets	(62.4)	(95.1)	(158.8)	(162.5)
Interest received	0.3	0.8	0.9	1.2
Net cash used in investing activities	(61.9)	(94.1)	(157.5)	(160.8)
Financing Activities				
Proceeds from exercise of share options	0.2	0.1	0.3	0.4
Grants received	1.1	0.4	13.8	15.7
Dividends paid	(173.0)	(172.6)	(173.0)	(172.6)
Finance expenses paid	(1.6)	(1.6)	(8.9)	(10.1)
Net cash used in financing activities	(173.3)	(173.7)	(167.8)	(166.6)
Net change in cash and cash equivalents	(69.7)	(110.8)	(109.7)	1.6
Exchange difference on cash and cash equivalents	(0.2)	(0.0)	0.1	(0.0)
Cash and cash equivalents at beginning of the period	224.5	379.3	264.2	266.9
Cash and cash equivalents at end of the period	154.6	268.4	154.6	268.4

The Group's net cash from operating activities for the quarter was S\$8.5 million higher at S\$165.5 million, contributed by higher cash flows from operations and positive working capital changes, offset by higher income tax paid. For the half year, the Group's total net cash from operating activities were S\$113.4 million lower at S\$215.6 million, due to lower cash flows from operations, higher working capital needs and income tax paid.

This quarter's positive working capital changes of S\$10.8 million were attributed to higher net balance due to related parties and lower inventories, other receivables, deposits and prepayments, offset by lower trade and other payables, and higher trade receivables. For the half year ended 30 June 2015, the negative working capital changes of S\$71.7 million was due to lower trade and other payables, and higher trade receivables, mitigated by lower inventories, other receivables, deposits and prepayments, and higher net balance due to related parties.

Net cash outflow from investing activities was S\$61.9 million this quarter and S\$157.5 million for the half-year period, arising mainly from CAPEX payments. As a percentage of revenue, total CAPEX payments, excluding MediaHub project, were at 9.2% in 2Q-2015 and 12.3% in 1H-2015.

Compared to 2Q-2014, this quarter's free cash flow at S\$103.1 million was S\$41.2 million higher, mainly due to higher cash flow from operations and lower CAPEX payments. For the half-year period, free cash flow reduced 65.9% to S\$56.8 million, largely attributed to lower cash flow from operating activities.

Net cash outflow from financing activities for the quarter was S\$0.4 million lower at S\$173.3 million, mainly due to higher grants received and proceeds from exercise of share options of total S\$0.8 million, offset by higher dividends paid of S\$0.4 million. For the half-year period, net cash outflow from financing activities increased S\$1.2 million, driven by higher dividends paid, and lower grants received, mitigated by lower payments of finance expenses.

As at 30 June 2015, the Group's cash and cash equivalents amounted to S\$154.6 million, down from S\$268.4 million a year ago.

Capital expenditure commitments

As of 30 June 2015, the Group's total outstanding capital expenditure commitments amounted to S\$402.4 million. The outstanding commitments include those for the 4G spectrum rights, MediaHub project, support systems, expansion and enhancement of our infrastructure and network systems for all our lines of businesses.

4. STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30 Jun 15 S\$m	31 Dec 14 S\$m	30 Jun 15 S\$m	31 Dec 14 S\$m
Non-current assets				
Property, plant and equipment	914.1	911.1	402.0	400.5
Intangible assets	394.0	404.5	69.5	79.3
Subsidiaries	-	-	1,692.1	1,692.1
Balances with related parties	-	-	84.0	106.0
	1,308.1	1,315.6	2,247.6	2,277.9
Current assets				
Inventories	31.4	42.4	27.4	36.8
Trade receivables	171.3	161.7	156.7	147.7
Other receivables, deposits and prepayments	172.7	185.9	35.6	34.0
Balances with related parties	17.2	17.4	382.1	272.6
Cash and cash equivalents	154.6	264.2	108.7	176.0
	547.2	671.6	710.5	667.1
Less:				
Current liabilities				
Trade and other payables	678.8	795.8	278.1	342.9
Balances with related parties	103.1	99.2	505.3	385.6
Borrowings	200.0	200.0	200.0	200.0
Provision for taxation	90.6	97.9	47.4	35.5
	1,072.5	1,192.9	1,030.8	964.0
Net current liabilities	(525.3)	(521.3)	(320.3)	(296.9)
Non-current liabilities				
Trade and other payables	20.0	23.3	20.0	23.3
Borrowings	487.5	487.5	487.5	487.5
Deferred income	3.8	7.3	0.4	-
Deferred tax liabilities	116.4	127.2	61.7	75.9
	627.7	645.3	569.6	586.7
Net assets	155.1	149.0	1,357.7	1,394.3
Shareholders' equity				
Share capital	293.5	282.6	293.5	282.6
Reserves	(138.4)	(133.6)	1,064.2	1,111.7
Total equity	155.1	149.0	1,357.7	1,394.3

GROUP BALANCE SHEET REVIEW

As at 30 June 2015, the Group's non-current assets was S\$1,308.1 million, a decrease of S\$7.5 million compared to 31 December 2014. The decrease was attributed to lower net book values in intangible assets, mitigated by higher net book values in property, plant and equipment.

Total current assets as at 30 June 2015 were lower at S\$547.2 million when compared to S\$671.6 million as at 31 December 2014. The decrease of S\$124.4 million was largely due to lower cash and cash equivalents, other receivables, deposits and prepayments, and inventories balances. This was offset by higher trade receivables balance.

Against 31 December 2014, total current liabilities were S\$120.4 million lower at S\$1,072.5 million as at 30 June 2015, attributed to lower trade and other payables of S\$117.0 million and provision for taxation S\$7.3 million, offset by higher balance due to related parties of S\$3.9 million. The reduction in trade and other payables were mainly due to settlement of vendors' invoices, coupled with staff bonus payments in 1Q-2015.

Total non-current liabilities decreased S\$17.6 million from S\$645.3 million as at 31 December 2014 to S\$627.7 million as at 30 June 2015, largely due to lower trade and other payables, deferred income and deferred tax liabilities.

Compared to 31 December 2014, the Group's shareholders' equity increased S\$6.1 million to S\$155.1 million as at 30 June 2015, contributed by higher share capital and hedging reserve, offset by lower share-based payments reserve.

5. GROUP UNSECURED BORROWINGS

	30 Jun 15 S\$m	31 Dec 14 S\$m
Unsecured borrowings		
Amount repayable in one year or less		
Bank loans	200.0	200.0
	200.0	200.0
Amount repayable after one year		
Bank loans	267.5	267.5
Medium term note	220.0	220.0
	487.5	487.5
Total	687.5	687.5

As at 30 June 2015, the Group's total borrowings maintained at S\$687.5 million.

Against 31 December 2014, net debt as at 30 June 2015 was S\$109.6 million higher at S\$532.9 million, due to lower cash balances. As a percentage of 2014 EBITDA, the Group's net debt was higher at 0.71 times as at 30 June 2015 when compared to 0.57 times as at 31 December 2014.

6. STATEMENT OF CHANGES IN EQUITY

Group	Share capital S\$m	Treasury shares S\$m	Goodwill written off S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Translation reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2015	282.6	-	(276.3)	13.4	(1.4)	0.8	129.9	(133.6)	149.0
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	73.7	73.7	73.7
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	0.4	-	0.4	0.4
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	1.3	-	-	1.3	1.3
Total comprehensive income for the period	-	-	-	-	1.3	0.4	73.7	75.4	75.4
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	3.3	-	-	(3.2)	-	-	-	(3.2)	0.1
Share-based payments expenses	-	-	-	2.1	-	-	-	2.1	2.1
Total transactions with equity holders of the Company	3.3	-	-	(1.1)	-	-	-	(1.1)	2.2
At 31 Mar 2015	285.9	-	(276.3)	12.3	(0.1)	1.2	203.6	(59.3)	226.6
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	99.1	99.1	99.1
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	(0.3)	-	(0.3)	(0.3)
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.2)	-	-	(0.2)	(0.2)
Total comprehensive income for the period	-	-	-	-	(0.2)	(0.3)	99.1	98.6	98.6
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	7.6	-	-	(7.4)	-	-	-	(7.4)	0.2
Share-based payments expenses	-	-	-	2.7	-	-	-	2.7	2.7
Dividends paid	-	-	-	-	-	-	(173.0)	(173.0)	(173.0)
Total transactions with equity holders of the Company	7.6	-	-	(4.7)	-	-	(173.0)	(177.7)	(170.1)
At 30 Jun 2015	293.5	-	(276.3)	7.6	(0.3)	0.9	129.7	(138.4)	155.1

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Group	Share capital S\$m	Treasury shares S\$m	Goodwill written off S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Translation reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2014	271.4	(0.2)	(276.3)	15.0	(4.2)	0.3	104.6	(160.8)	110.6
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	84.2	84.2	84.2
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	0.1	-	0.1	0.1
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.7	-	-	0.7	0.7
Total comprehensive income for the period	-	-	-	-	0.7	0.1	84.2	85.0	85.0
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	3.6	-	-	(3.3)	-	-	-	(3.3)	0.3
Share-based payments expenses	-	-	-	1.8	-	-	-	1.8	1.8
Total transactions with equity holders of the Company	3.6	-	-	(1.5)	-	-	-	(1.5)	2.1
At 31 Mar 2014	274.9	(0.2)	(276.3)	13.5	(3.5)	0.4	188.8	(77.3)	197.6
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	94.3	94.3	94.3
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	(0.2)	-	(0.2)	(0.2)
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.0)	-	-	(0.0)	(0.0)
Total comprehensive income for the period	-	-	-	-	(0.0)	(0.2)	94.3	94.0	94.0
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	7.4	-	-	(7.3)	-	-	-	(7.3)	0.1
Share-based payments expenses	-	-	-	3.3	-	-	-	3.3	3.3
Transfer from treasury shares to share-based payments reserve	-	0.2	-	(0.2)	-	-	-	(0.0)	(0.0)
Dividends paid	-	-	-	-	-	-	(172.6)	(172.6)	(172.6)
Total transactions with equity holders of the Company	7.4	0.2	-	(4.2)	-	-	(172.6)	(176.6)	(169.2)
At 30 Jun 2014	282.3	-	(276.3)	9.3	(3.6)	0.1	110.6	(159.9)	122.4

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Company	Share capital S\$m	Treasury shares S\$m	Merger/ Capital reserve S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2015	282.6	-	276.5	13.4	(1.4)	823.2	1,111.7	1,394.3
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	50.4	50.4	50.4
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	1.3	-	1.3	1.3
Total comprehensive income for the period	-	-	-	-	1.3	50.4	51.7	51.7
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	3.3	-	-	(3.2)	-	-	(3.2)	0.1
Share-based payments expenses	-	-	-	2.1	-	-	2.1	2.1
Total transactions with equity holders of the Company	3.3	-	-	(1.1)	-	-	(1.1)	2.2
At 31 Mar 2015	285.9	-	276.5	12.3	(0.1)	873.6	1,162.3	1,448.2
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	79.8	79.8	79.8
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.2)	-	(0.2)	(0.2)
Total comprehensive income for the period	-	-	-	-	(0.2)	79.8	79.6	79.6
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	7.6	-	-	(7.4)	-	-	(7.4)	0.2
Share-based payments expenses	-	-	-	2.7	-	-	2.7	2.7
Dividends paid	-	-	-	-	-	(173.0)	(173.0)	(173.0)
Total transactions with equity holders of the Company	7.6	-	-	(4.7)	-	(173.0)	(177.7)	(170.1)
At 30 Jun 2015	293.5	-	276.5	7.6	(0.3)	780.4	1,064.2	1,357.7

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Company	Share capital S\$m	Treasury shares S\$m	Merger/ Capital reserve S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2014	271.4	(0.2)	276.5	15.0	(4.2)	661.3	948.4	1,219.8
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	39.9	39.9	39.9
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.7	-	0.7	0.7
Total comprehensive income for the period	-	-	-	-	0.7	39.9	40.6	40.6
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	3.6	-	-	(3.3)	-	-	(3.3)	0.3
Share-based payments expenses	-	-	-	1.8	-	-	1.8	1.8
Total transactions with equity holders of the Company	3.6	-	-	(1.5)	-	-	(1.5)	2.1
At 31 Mar 2014	274.9	(0.2)	276.5	13.5	(3.5)	701.2	987.5	1,262.4
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	31.6	31.6	31.6
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.0)	-	(0.0)	(0.0)
Total comprehensive income for the period	-	-	-	-	(0.0)	31.6	31.6	31.6
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	7.4	-	-	(7.3)	-	-	(7.3)	0.1
Share-based payments expenses	-	-	-	3.3	-	-	3.3	3.3
Transfer from treasury shares to share-based payments reserve	-	0.2	-	(0.2)	-	-	(0.0)	(0.0)
Dividends paid	-	-	-	-	-	(172.6)	(172.6)	(172.6)
Total transactions with equity holders of the Company	7.4	0.2	-	(4.2)	-	(172.6)	(176.6)	(169.2)
At 30 Jun 2014	282.3	-	276.5	9.3	(3.6)	560.2	842.4	1,124.8

7. CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

As at 30 June 2015, the share capital of the Company was S\$293.5 million comprising 1,729,795,128 issued ordinary shares (excluding treasury shares). As at 31 December 2014, this was S\$282.6 million or 1,726,321,609 ordinary shares (excluding treasury shares).

Issue of new shares

For the quarter and six months ended 30 June 2015, the Company issued a total of 2,262,294 and 3,473,519 new ordinary shares respectively to participants pursuant to the Company's obligations under its share options and share-based plans as follows:

Number of new ordinary shares issued:	2Q 2015	1H 2015
For the exercise of options by participants pursuant to the Company's share option plans (exercise price at S\$1.52)	120,261	176,486
For payout to participants of the Company's Performance and Restricted Share Plans via the transfer from the Company's share-based payment reserve	2,142,033	3,297,033
Total	2,262,294	3,473,519

Treasury Shares

As at 30 June 2015, the Company does not hold any treasury shares (30 June 2014: nil treasury shares).

There was no purchase of shares from the market in the current and comparative periods.

Outstanding Shares – Share Options and Share-Based Plans

Share Option Plans

As at 30 June 2015, the Company has no outstanding balance of unexercised options under the Company's share option plans (30 June 2014: 497,095).

Performance Share Plans

As at 30 June 2015, the outstanding balance of conditional awards under the Performance Share Plans was 1,533,800 ordinary shares (30 June 2014: 1,948,766 ordinary shares).

Restricted Stock Plans

As at 30 June 2015, the outstanding balance of conditional awards under the Restricted Stock Plans was 5,309,733 ordinary shares (30 June 2014: 5,848,400 ordinary shares).

8. AUDIT

The financial statements have not been audited or reviewed.

9. AUDITORS' REPORT

Not applicable.

10. ACCOUNTING POLICIES

The Group and the Company have applied the same accounting policies and method of computation in the financial statements for the current financial period consistent with those of the audited financial statements for the year ended 31 December 2014.

In the current financial period, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and effective for annual periods beginning on 1 January 2015.

The adoption of these new/revised FRSs and INT FRSs does not result in substantial changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

11. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Not applicable.

12. GROUP EARNINGS PER ORDINARY SHARE

	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2015	2014	2015	2014
Basic				
Earnings per share	5.7 cents	5.5 cents	10.0 cents	10.4 cents
Weighted average number of shares ('000)	1,729,691	1,726,058	1,728,407	1,724,505
Diluted				
Earnings per share	5.7 cents	5.4 cents	10.0 cents	10.3 cents
Weighted average number of shares ('000)	1,736,564	1,733,257	1,735,328	1,731,768

13. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
Net asset value per share	9.0 cents	8.6 cents	78.5 cents	80.8 cents

14. ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS

For the half year ended 30 June 2015, the Group's service revenue decreased marginally by 0.1% YoY. This was lower when compared to our guidance for full year service revenue to grow in the low single-digit range.

1H-2015 EBITDA margin at 32.6% of service revenue was higher than our guidance of EBITDA margin at about 32% of service revenue for the year.

Total CAPEX payments, excluding MediaHub project, totaled 12.3% of total revenue in 1H-2015. This was below our guidance for 2015 CAPEX to be at about 13% of total revenue.

15. GROUP OUTLOOK

Fixed and mobile services, particularly in the enterprise segment will continue to drive the growth in the Group's revenue for the year. We expect to see increasing adoption of our improved suite of managed services and diversified connectivity solutions on our own fixed network infrastructure. As the penetration of NGNBN to commercial premises improves, we are able to reach Small and Medium Businesses and offer them fixed network services over and above the mobile services we have been providing. In our overall Mobile business, with more customers on tiered data plans, monetisation of mobile data will improve as data consumption continues to grow.

We expect take-up of our HomeHub packages (which offers TV, broadband and voice in one single price plan) to continue increasing and this will underpin our growth and differentiate us as we further build on our hubbing proposition. We will enhance these packages in the coming months, so as to drive more value for our customers.

In the broadband space, price competition is expected to continue, albeit at a moderate pace.

Based on the current outlook, and barring any unforeseen circumstances, we expect our Group's 2015 service revenue to grow in the low single-digit range. We expect our 2015 Group EBITDA margin to be about 32% on service revenue.

On 22 July 2015, we announced a strategic partnership with ST Telemedia to jointly develop the MediaHub project, which is currently under construction. In this partnership, ST Telemedia will own 70 per cent of Shine Systems Assets Pte. Ltd. (SSAPL), with StarHub owning the remaining 30 per cent. Prior to this, SSAPL was wholly owned by StarHub. Consequently, the CAPEX requirements for the MediaHub project will be funded through the 30% investment in the associate company. For 2015, we expect our CAPEX payments to be at about 13% of our total revenue.

We intend to maintain our annual cash dividend of 20 cents per ordinary share for 2015.

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

16. DIVIDENDS

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash; Tax exempt (1-tier) dividend
Dividend Amount	S\$0.05 per ordinary share
Tax Rate	Exempt (1-tier)

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim
Dividend Type	Cash; Tax exempt (1-tier) dividend
Dividend Amount	S\$0.05 per ordinary share
Tax Rate	Exempt (1-tier)

(c) Date payable

The interim dividend will be paid on 27 August 2015.

(d) Book closure date

Notice is hereby given that the Register of Members and the Transfer Books of the Company will be closed on 18 August 2015 (“Book Closure Date”) for the purpose of determining members’ entitlement to the interim dividend.

Duly completed registrable transfers received by the Company’s Share Register, M & C Services Private Limited, 138 Robinson Road #17-00, The Corporate Office, Singapore 068906 up to the close of the business at 5.00 p.m. on 17 August 2015 (“Entitlement Date”) will be registered to determine members’ entitlement to the interim dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Entitlement Date will be entitled to the interim dividend.

17. IF NO DIVIDEND HAVE BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT

Not applicable.

18. INTERESTED PERSON TRANSACTIONS

	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than S\$100,000) 1 April 2015 to 30 June 2015 S\$m
Transactions for the Sale of Goods & Services	
Singapore Power Limited & its associates	0.1
Singapore Telecommunications Limited & its associates	7.2
SMRT Corporation Ltd & its associates	0.1
STATS ChipPAC Ltd & its associates	0.1
TeleChoice International Ltd & its associates	17.1
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	0.5
	25.1
Transactions for the Purchase of Goods & Services	
CapitaLand Limited & its associates	3.8
SembCorp Industries Ltd & its associates	2.3
Singapore Power Limited & its associates	6.4
Singapore Telecommunications Limited & its associates	22.4
TeleChoice International Ltd & its associates	97.3
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	1.4
	133.6

There are no interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual) entered into by StarHub and its subsidiaries for the period 1 April to 30 June 2015.

19. NEGATIVE ASSURANCE CONFIRMATION

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the second quarter and half year ended 30 June 2015 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Steven Terrell Clontz
Director

Tan Tong Hai
Director

Singapore
5 August 2015