

### StarHub Reports 2015 Second-Quarter and Half-Year Results

**Singapore, 5 August 2015** – StarHub Ltd today announced its results for the quarter and first half ended 30 June 2015.

Total revenue for the quarter increased 2% to S\$589 million and service revenue was also higher by 1% at S\$554 million over the same period a year ago. The Group's EBITDA increased 4% to S\$195 million from S\$187 million previously and EBITDA margin was higher at 35.1%. Net profit after tax was S\$99 million or 5% higher for the quarter.

On a half-year basis, total revenue increased 5% to S\$1,207 million and service revenue was slightly lower at S\$1,095 million. The Group's EBITDA was 2% lower at S\$357 million and EBITDA margin was at 32.6%. Net profit after tax was S\$173 million or 3% lower year-on-year (YoY).

Free cash flow for the quarter was at S\$103 million and S\$57 million for the half-year. Cash capital expenditure (CAPEX) was 34% lower at S\$62 million compared to the same quarter last year and on a half-year basis was 13% of our total revenue.

#### **Business Highlights**

For the half-year, we saw growth in customer base as well as revenue for post-paid Mobile, Pay TV and Fixed Network services. Broadband revenue has registered growth on two sequential quarters now.

- Total **Mobile** revenue was flat at S\$616 million compared to the same period a year ago. Post-paid revenue grew YoY but this was offset by the lower contribution from pre-paid mobile services. Post-paid customer base grew by 70,000 YoY. Both post-paid and pre-paid ARPUs increased S\$2 to S\$69 and S\$18 respectively.

"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."

- **Pay TV** revenue increased 1% to S\$194 million. The higher revenue was a result of higher subscription revenue from a larger customer base. Customer base grew 10,000 to 545,000 households and the churn rate was kept low at 0.7%. YoY, Pay TV ARPU was at S\$51.
- **Broadband** revenue decreased 7% to S\$97 million compared to a year ago, mainly due to price competition which lowered subscription revenue from both re-contracting and new customers. For a second sequential quarter, Broadband revenue grew slightly. ARPU was at S\$33. The residential broadband customer base increased by 19,000 YoY to 475,000 households.
- **Fixed Network** revenue increased 3% to S\$188 million YoY. Data & Internet services revenue, which contributes 86% to the Fixed Network revenue mix, was at S\$161 million. Voice services revenue decreased to S\$27 million due to lower usages.
- The quarter's marketing initiatives continued to encourage customers to take up multiple services. As a result, the percentage of total **Hubbing** households that subscribed to any two or more StarHub services remained strong at 60%. Triple-service households grew to 246,000, a 5% increase from a year ago.

"We are delighted with our performance in the second quarter. We are especially heartened to see the residential Broadband revenue increasing for two sequential quarters," said Mr Tan Tong Hai, CEO of StarHub. "This quarter, we registered customer growth in all lines of business and low churn rates, a testimony to our Hubbing strategy and quality service experience. We will continue to deliver value to our stakeholders."

### **Outlook for FY2015**

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. 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.

For more details on the Group's performance for 2Q2015 and outlook for FY2015, please visit [www.starhub.com/ir](http://www.starhub.com/ir). Materials available at this website include the audio

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conference link, investor presentation and unaudited results for the quarter ended 30 June 2015.

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### **About StarHub**

StarHub is Singapore's fully-integrated info-communications company, offering a full range of information, communications and entertainment services for both consumer and corporate markets. StarHub operates a mobile network that provides 4G, 3G and 2G services. It also manages an island-wide HFC network that delivers multi-channel pay TV services (including HDTV, Internet TV 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, as well as commercial and residential IPTV services.

Launched in 2000, StarHub has become one of Singapore' 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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