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STARHUB LTD

Announcement of Unaudited Results for the Third Quarter and Nine Months ended 30 September 2015

StarHub is pleased to announce our unaudited results for the third quarter and nine months ended 30 September 2015.

Results for the Third Quarter and Nine Months ended 30 September 2015

1. GROUP INCOME AND COMPREHENSIVE INCOME STATEMENTS

1.1 GROUP INCOME STATEMENT

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015 S\$m	2014 S\$m	Incr/ (Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr/ (Decr) S\$m	%
Total revenue	603.1	592.0	11.1	1.9	1,810.5	1,739.9	70.6	4.1
Operating expenses	(483.9)	(486.3)	(2.4)	(0.5)	(1,492.9)	(1,422.3)	70.6	5.0
Other income	11.8	17.4	(5.6)	(31.9)	31.8	34.8	(3.0)	(8.3)
Profit from operations	131.0	123.1	7.9	6.5	349.4	352.3	(2.9)	(0.8)
Finance income	0.5	0.4	0.1	32.0	1.4	1.6	(0.2)	(12.3)
Finance expenses ⁽¹⁾	(4.2)	(4.3)	(0.1)	(3.4)	(12.7)	(14.4)	(1.7)	(11.9)
	127.3	119.1	8.2	6.9	338.1	339.5	(1.4)	(0.4)
Non-operating income ⁽²⁾	15.0	-	15.0	-	15.0	-	15.0	-
Share of loss of equity-accounted investee	(0.2)	-	(0.2)	-	(0.2)	-	(0.2)	-
Profit before taxation	142.1	119.1	23.0	19.3	352.9	339.5	13.4	3.9
Taxation	(23.4)	(21.4)	2.0	9.3	(61.4)	(63.3)	(1.9)	(3.0)
Profit for the period	118.7	97.7	21.0	21.5	291.5	276.2	15.3	5.5
Attributable to:								
Equity holders of the Company	118.7	97.7	21.0	21.5	291.5	276.2	15.3	5.5
	118.7	97.7	21.0	21.5	291.5	276.2	15.3	5.5
EBITDA	199.1	190.9	8.2	4.3	555.7	555.5	0.2	0.0
EBITDA as a % of service revenue	35.7%	34.5%	1.1% pts		33.6%	33.7%	-0.1% pts	
Free Cash Flow ⁽³⁾	139.3	118.1	21.2	18.0	196.1	284.6	(88.5)	(31.1)
<i>Profit from operations is arrived after charging the following:</i>								
<i>Allowance for doubtful receivables and bad debts written off</i>	3.7	3.9	(0.2)	(5.9)	11.3	11.5	(0.2)	(1.6)
<i>Depreciation and amortisation (net of asset grants)</i>	68.1	67.8	0.3	0.4	206.3	203.1	3.2	1.6
<i>Foreign currency exchange (gain) / loss</i>	1.2	1.3	(0.1)	(11.1)	3.8	(1.7)	5.5	nm

nm – Not meaningful

Notes:

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

1.2 GROUP COMPREHENSIVE INCOME STATEMENT

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015 S\$m	2014 S\$m	Incr/(Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr/(Decr) S\$m	%
Profit for the period	118.7	97.7	21.0	21.5	291.5	276.2	15.3	5.5
Other comprehensive income Items that are or may be reclassified subsequently to profit or loss:								
Foreign currency translation differences	0.4	0.2	0.2	124.0	0.5	(0.0)	0.5	nm
Effective portion of changes in fair value of cash flow hedge	0.7	1.1	(0.4)	(36.5)	1.8	1.8	0.0	2.0
Other comprehensive income for the period (net of taxation)	1.1	1.3	(0.2)	(14.6)	2.3	1.7	0.6	29.8
Total comprehensive income for the period	119.8	99.0	20.8	21.0	293.8	278.0	15.8	5.7
Attributable to:								
Equity holders of the Company	119.8	99.0	20.8	21.0	293.8	278.0	15.8	5.7
	119.8	99.0	20.8	21.0	293.8	278.0	15.8	5.7

nm – Not meaningful

1.3 GROUP PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 SEPTEMBER 2015

(A) Revenue

Revenue	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m %		2015 S\$m	2014 S\$m	Incr / (Decr) S\$m %	
Mobile	310.6	310.9	(0.3)	(0.1)	926.8	927.1	(0.3)	(0.0)
Pay TV	97.2	97.4	(0.2)	(0.2)	291.0	289.6	1.4	0.5
Broadband	51.1	49.2	1.9	3.8	148.2	154.1	(5.9)	(3.9)
Fixed Network Services	99.3	95.2	4.1	4.3	286.9	277.5	9.4	3.4
Total service revenue	558.2	552.7	5.5	1.0	1,652.9	1,648.3	4.6	0.3
Sale of equipment	44.9	39.3	5.6	14.4	157.6	91.6	66.0	72.2
Total	603.1	592.0	11.1	1.9	1,810.5	1,739.9	70.6	4.1

Revenue mix	Quarter ended 30 Sep		Nine Months ended 30 Sep	
	2015 Mix %	2014 Mix %	2015 Mix %	2014 Mix %
Mobile revenue	51.5	52.5	51.2	53.3
Pay TV revenue	16.1	16.5	16.1	16.6
Broadband revenue	8.5	8.3	8.2	8.9
Fixed Network services revenue	16.5	16.1	15.8	15.9
Sale of equipment	7.4	6.6	8.7	5.3
Total	100.0	100.0	100.0	100.0

For the quarter ended 30 September 2015, the Group's total revenue increased S\$11.1 million or 1.9% to S\$603.1 million when compared to 3Q-2014. Service revenue was up 1.0% to S\$558.2 million and sale of equipment rose 14.4% at S\$44.9 million for the quarter. Revenue for the nine-month period was 4.1% higher at S\$1,810.5 million, primarily attributed to higher sale of equipment.

Compared to 3Q-2014, this quarter's revenue from sale of equipment was S\$5.6 million higher at S\$44.9 million, mainly contributed by an increased sales mix of higher end smart phones. For the nine-month period, revenue from sale of equipment was S\$66.0 million or 72.2% higher year-on-year (YoY) at S\$157.6 million. This was driven by increased quantities and higher average selling price.

For 3Q-2015, the Group's service revenue was up 1.0% to S\$558.2 million, with the increase mainly from Fixed Network and Broadband services. For the nine-month period, total service revenue was 0.3% or S\$4.6 million higher at S\$1,652.9 million, attributable to higher revenue from Fixed Network Services. Broadband service revenue continued to improve in the quarter, reducing the YTD decrease to 3.9% YoY. Mobile service revenue was S\$0.3 million lower compared to the same period last year. Although Post-paid mobile services continued to grow YoY, this was offset by the weaker Pre-paid mobile services. Pay TV service revenue was 0.2% lower at S\$97.2 million due mainly to lower advertising revenue this quarter. Year-to-date, Pay TV service revenue was up 0.5% to S\$291.0 million, contributed largely by higher subscription revenue, offset by lower advertising revenue.

(B) Operating expenses

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	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	235.7	228.7	7.0	3.1	747.9	662.3	85.6	12.9
Other operating expenses	248.2	257.6	(9.4)	(3.6)	745.0	760.0	(15.0)	(2.0)
Total	483.9	486.3	(2.4)	(0.5)	1,492.9	1,422.3	70.6	5.0

For the quarter, total operating expenses was 0.5% lower YoY at S\$483.9 million, and for the nine-month period, increased 5.0% to S\$1,492.9 million. The change in both periods were driven mainly by the higher cost of sales, mitigated by lower other operating expenses.

As a percentage of revenue, this quarter's total operating expenses was lower at 80.2% for the quarter when compared to 82.1% in 3Q-2014. For the nine-month period, total operating expenses was higher at 82.5% of total revenue, up from 81.7% in the corresponding period last year.

Details of total operating expenses are as follows:

(i) Cost of sales

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	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	96.0	86.9	9.1	10.5	343.7	245.1	98.6	40.2
Cost of services	101.4	99.2	2.2	2.2	296.4	293.3	3.1	1.1
Traffic expenses	38.3	42.6	(4.3)	(10.2)	107.8	123.8	(16.0)	(13.0)
Total	235.7	228.7	7.0	3.1	747.9	662.3	85.6	12.9

YoY, cost of sales was higher by 3.1% at S\$235.7 million in 3Q-2015, and for the nine-month period, was up 12.9% to S\$747.9 million. The increase was due mainly to higher cost of equipment sold, mitigated by lower traffic expenses.

Cost of equipment sold increased 10.5% to S\$96.0 million in 3Q-2015, and for year-to-date, was 40.2% higher at S\$343.7 million driven by increased quantity sold and a higher mix of higher cost models.

Compared to the corresponding periods last year, this quarter's cost of services at S\$101.4 million increased 2.2% for the quarter, and for the nine-month period, was up 1.1% to S\$296.4 million. The higher costs YoY were due to higher NGNBN service costs, which were mitigated by lower Pay TV programming costs and fixed network services costs.

Traffic expenses for the quarter and nine-month periods were comparatively lower at S\$38.3 million and S\$107.8 million respectively, due mainly to lower international traffic volume.

(ii) Other operating expenses

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	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	69.7	71.0	(1.3)	(1.7)	204.6	207.9	(3.3)	(1.6)
Operating leases	36.0	34.1	1.9	5.3	88.7	98.9	(10.2)	(10.3)
Marketing and promotions	31.9	38.6	(6.7)	(17.3)	102.6	115.1	(12.5)	(10.9)
Allowance for doubtful receivables	3.7	3.9	(0.2)	(5.9)	11.3	11.5	(0.2)	(1.6)
Repair and maintenance	21.7	20.3	1.4	7.3	61.7	60.2	1.5	2.5
Other expenses	17.1	21.9	(4.8)	(22.0)	69.8	63.3	6.5	10.2
Sub total	180.1	189.8	(9.7)	(5.1)	538.7	556.9	(18.2)	(3.3)
Depreciation and amortisation (net of asset grants)	68.1	67.8	0.3	0.4	206.3	203.1	3.2	1.6
Total	248.2	257.6	(9.4)	(3.6)	745.0	760.0	(15.0)	(2.0)

Total other operating expenses for the quarter were 3.6% lower at S\$248.2 million, and for the nine-month period, decreased 2.0% to S\$745.0 million.

As a percentage of revenue, other operating expenses were lower at 41.2% for the quarter and nine-month periods, down from 43.5% and 43.7% in the corresponding periods last year.

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

Staff costs

Staff costs at S\$69.7 million for the quarter and S\$204.6 million for the nine-month period were lower by 1.7% and 1.6% YoY respectively, primarily due to lower temporary staff costs.

Operating leases

This quarter's operating leases at S\$36.0 million was higher by 5.3% due mainly to the catch up of prior periods' property tax on our network offices. For the nine-month period, the current higher operating lease expenses were lowered by excess accruals reversed in 1Q-2015 for international capacity leases which have been concluded at lower prices.

Marketing and promotions

Marketing and promotions was 17.3% lower at S\$31.9 million for the quarter, and decreased 10.9% to S\$102.6 million for year-to-date. The decrease was mainly due to lower spending on customers' acquisition and retention programs, and reduced advertising and marketing expenditure.

Repair and maintenance

Repair and maintenance was 7.3% higher at S\$21.7 million for the quarter and increased 2.5% to S\$61.7 million for the nine-month period, due to increased new maintenance for the expanded network infrastructure.

Other expenses

For the quarter, other expenses were 22.0% lower at S\$17.1 million, primarily due to foreign exchange gain on derivatives and lower utilities, offset by higher professional and outsourcing fees, and lower recoveries from network construction projects.

Year-to-date, other expenses at S\$69.8 million were higher by 10.2% YoY. Lower utilities partially mitigated the higher outsourcing and professional fees expenses, and lower cost recoveries of network construction projects.

(C) Other income

Compared to 3Q-2014, this quarter's other income was S\$5.6 million lower at S\$11.8 million as 3Q-2014 included 2 periods of NGNBN adoption grant processed. For the nine-month period, other income was S\$3.0 million or 8.3% lower at S\$31.8 million, as certain NGNBN rollout grants became fully amortised this year.

(D) Profitability

Compared to 3Q-2014, profit from operations was S\$7.9 million or 6.5% higher at S\$131.0 million for the quarter. Improvement in operational performance contributed S\$13.5 million to the increase, offset by lower other income which decreased S\$5.6 million in the quarter.

For the nine-month period, profit from operations was S\$2.9 million or 0.8% lower at S\$349.4 million, on the account of certain lower NGNBN rollout grants which were fully amortised this year.

YoY, EBITDA grew 4.3% to S\$199.1 million in 3Q-2015, and for the nine-month period, was up by S\$0.2 million to S\$555.7 million. As a percentage of service revenue, EBITDA margin was 35.7% in 3Q-2015 and 33.6% in the nine-month period, compared to 34.5% and 33.7% in the corresponding periods last year.

For the quarter, finance income was S\$0.1 million higher at S\$0.5 million, and for the nine-month period, was S\$0.2 million lower at S\$1.4 million.

Against the corresponding periods last year, finance expenses was S\$0.1 million lower at S\$4.2 million in 3Q-2015, and for the nine-month period, lower by S\$1.7 million at S\$12.7 million as year-to-date 2014 included facility fees for new bank loan facilities.

On 22nd July 2015, we announced a strategic partnership with Singapore Technologies Telemedia Pte Ltd (STT) to jointly develop the MediaHub project. STT, through its wholly owned subsidiary, STT APDC Pte. Ltd., made an investment of S\$36.9 million for a 70% stake in SHINE Systems Assets Pte. Ltd. (SSAPL), which hold MediaHub. Based on the fair value of the net tangible assets of SSAPL, the Group recognised a one-time gain of S\$15.0 million from the deconsolidation of SSAPL.

Against 3Q-2014, profit before taxation was 19.3% higher at S\$142.1 million for the quarter, and for the nine-month period, was up 3.9% YoY to S\$352.9 million.

Taxation for the quarter was 9.3% higher at S\$23.4 million when compared to 3Q-2014, and was 3.0% lower YoY at S\$61.4 million in the nine-month period. Effective tax rate for the quarter and nine-month periods were approximately 18% (excluding the gain on deconsolidation of a subsidiary), due mainly to certain non-deductible expenses for tax purposes.

Profit after taxation was 21.5% higher YoY at S\$118.7 million for the quarter, and was up 5.5% to S\$291.5 million in the nine-month period.

2. BUSINESS REVIEW

Mobile Services

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Mobile revenue	310.6	310.9	(0.3)	(0.1)	926.8	927.1	(0.3)	(0.0)

Mobile operating statistics	Quarter ended			Nine Months ended		YoY
	30 Sep	30 Jun	30 Sep	30 Sep		Incr/(Decr)
	2015	2015	2014	2015	2014	%
Number of registered customers (in thousands)						
Post-paid	1,320	1,313	1,254	1,320	1,254	5.3
Pre-paid	857	849	929	857	929	(7.8)
Total	2,177	2,162	2,182	2,177	2,182	(0.3)
Monthly minutes of use per registered customer						
Post-paid	228	224	257	228	254	(10.1)
Pre-paid	274	289	313	289	310	(6.6)
ARPU with IDD included (S\$ per month)						
Post-paid	71	70	68	70	68	3.0
Pre-paid	18	18	18	18	17	7.6
Non-voice service as a contribution to ARPU						
Post-paid	56.9%	56.0%	52.0%	56.5%	50.6%	-
Pre-paid	28.6%	26.8%	23.4%	27.1%	22.5%	-
Average monthly churn rate (post-paid)	1.0%	0.9%	0.9%	0.9%	0.9%	-
Singapore mobile penetration ⁽¹⁾	149.3%	148.6%	151.0%	149.3%	151.0%	-
Market Share ⁽¹⁾	26.7%	26.6%	26.8%	26.7%	26.8%	-

Note:

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

Compared to the corresponding periods last year, overall mobile service revenue was S\$0.3 million lower at S\$310.6 million for the quarter and S\$926.8 million for the nine-month period. The lower revenue was attributed to lower contribution from Pre-paid mobile services. Post-paid mobile services continued to register higher revenue with increased subscription from the expanded customer base.

Post-paid mobile services

As at 30 September 2015, Post-paid mobile subscriber base was 1,320,000 subscribers after the quarter's net addition of 7,100 subscribers. Compared to a year ago, Post-paid customer base expanded by 66,400 customers or 5.3%. 63% of these subscribers are on tiered data mobile subscription plans, compared to 59% a year ago.

Compared to 3Q-2014, Post-paid mobile ARPU was S\$3 higher at S\$71 in 3Q-2015, and for year-to-date, rose S\$2 YoY to S\$70 in 2015. The higher Post-paid ARPU in current periods were attributable to take-up of new 4G tiered data plans with higher monthly subscriptions and higher data usage with the increased base of customers on these plans.

As a percentage of Post-paid mobile ARPU, Post-paid non-voice was higher at 56.9% in this quarter and 56.5% for the nine months, up from 52.0% and 50.6% in the corresponding periods last year.

Monthly average Post-paid mobile churn was marginally higher at 1.0% in the quarter, up from 0.9% in 3Q-2014. For the nine-month period, churn maintained at 0.9% when compared to year-to-date last year.

Pre-paid mobile services

As at 30 September 2015, Pre-paid mobile customer base was 857,000 customers after the quarter's net addition of 7,300 customers. Compared to a year ago, Pre-paid customer base was lower by 7.8%, attributed to card expiry and the impact of the 3 SIM cards per customer rule which came into effect on 1 April 2014.

Pre-paid mobile ARPU at S\$18 for the quarter was comparable to 3Q-2014 and for year-to-date, was S\$1 higher compared to last year's nine-month period. Pre-paid non-voice component as a percentage of Pre-paid mobile ARPU was higher at 28.6% in 3Q-2015 and 27.1% in the nine-month period, up from 23.4% and 22.5% in the same periods last year.

Pay TV Services

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Pay TV revenue	97.2	97.4	(0.2)	(0.2)	291.0	289.6	1.4	0.5

Pay TV operating statistics	Quarter ended			Nine Months ended		YoY
	30 Sep	30 Jun	30 Sep	30 Sep		Incr/(Decr)
	2015	2015	2014	2015	2014	%
Number of residential Pay TV customers (in thousands)	542	545	539	542	539	0.6
ARPU (S\$ per month)	51	52	51	51	51	(0.2)
Average monthly churn rate	0.7%	0.8%	0.9%	0.7%	0.9%	-
StarHub's penetration	40.5%	41.0%	41.6%	40.5%	41.6%	-

Pay TV service revenue was 0.2% lower at S\$97.2 million for the quarter, primarily due to lower advertising revenue. For the nine-month period, service revenue was up 0.5% to S\$291.0 million, driven by higher subscription revenue from a larger customer base, offset by lower advertising revenue.

As at 30 September 2015, our Pay TV subscriber base was 542,000 subscribers. Compared to last year, we net added 3,300 customers in the nine-month period.

Pay TV ARPU was stable at S\$51 for both the quarter and nine-month periods.

Pay TV monthly average churn reduced to 0.7% in the current periods, as a result of our continued efforts in customer retention initiatives, attractive content packaging and hubbing bundle promotions.

Broadband Services

	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015	2014	Incr / (Decr)		2015	2014	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Broadband revenue	51.1	49.2	1.9	3.8	148.2	154.1	(5.9)	(3.9)

Broadband operating statistics	Quarter ended			Nine Months ended		YoY Incr/(Decr) %
	30 Sep	30 Jun	30 Sep	30 Sep		
	2015	2015	2014	2015	2014	
Number of residential total broadband customers - subscription-based (in thousands)	477	475	461	477	461	3.5
Number of total fibre broadband customers - subscription-based (in thousands)	245	217	163	245	163	51.0
ARPU (S\$ per month)	34	33	35	33	37	(9.3)
Average monthly churn rate	1.0%	0.9%	1.1%	0.9%	1.1%	-

For the quarter, Broadband service revenue rose 3.8% to S\$51.1 million, primarily due to higher installation and other revenue as the quarter net added 2,100 subscribers. For year-to-date, service revenue was 3.9% lower at S\$148.2 million, mainly impacted by price competition which lowered subscription revenue from both re-contracting and new customers. This resulted in lower Broadband ARPU of S\$34 for the quarter and S\$33 for the nine-month period, down from S\$35 in 3Q-2014 and S\$37 in last year's year-to-date.

As at 30 September 2015, Broadband residential subscriber base was 477,000 subscribers and compared to a year ago, expanded by 15,900 customers or 3.5%. Total fibre broadband customer base at 245,000 subscribers was 51.0% higher than a year ago.

Broadband average monthly churn reduced from last year's 1.1% to 1.0% for the quarter and 0.9% in the nine-month period, due to effective customer retention programs and hubbing bundles promotions.

Fixed Network Services

Fixed Network Services Revenue	Quarter ended 30 Sep				Nine Months ended 30 Sep			
	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%	2015 S\$m	2014 S\$m	Incr / (Decr) S\$m	%
Data & Internet	85.0	80.3	4.7	6.0	246.1	234.3	11.8	5.1
Voice services	14.3	15.0	(0.7)	(4.5)	40.8	43.2	(2.4)	(5.5)
Total	99.3	95.2	4.1	4.3	286.9	277.5	9.4	3.4

Fixed Network service revenue was up 4.3% to S\$99.3 million for the quarter, and increased 3.4% to S\$286.9 million for the nine-month period. The increase was contributed by higher Data & Internet service revenue, offset by lower Voice service revenue.

Data & Internet revenue was 6.0% higher at S\$85.0 million for the quarter, and grew 5.1% YoY to S\$246.1 million for year-to-date. The higher revenue was driven by increase in subscription for our internet services and managed services for enterprises.

Compared to the corresponding periods last year, Voice service revenue was 4.5% lower at S\$14.3 million for the quarter and decreased 5.5% to S\$40.8 million for the nine-month period, due mainly to lower IDD usages.

Hubbing (Multi-Service Households)

Hubbing Metrics	As at			YoY Incr/(Decr) %
	30 Sep 2015	30 Jun 2015	30 Sep 2014	
Total hubbing households with at least one service of post-paid mobile, pay TV and/or broadband services (in thousands)	775.6	775.7	772.5	0.4
Percentage of total hubbing households which subscribe to any two services	28.2%	28.3%	28.2%	(0.0)% pts
Percentage of total hubbing households which subscribe to all three services	31.7%	31.7%	30.8%	0.9% pts
Percentage of total hubbing households which subscribe to two or more services	59.9%	60.0%	59.0%	0.9% 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 September 2015, the total number of households who subscribed to at least one of our hubbing services was 775,600 households, up from 772,500 households a year ago.

As a percentage of total hubbing households, our triple service households were higher at 31.7% as of 30 September 2015, when compared to 30.8% a year ago. Our triple hubbing services households maintained at 246,000 households as at 30 September 2015. Compared to a year ago, this was an increase of 8,000 households or 3.5% higher.

The percentage of households who subscribed to two or more services was 59.9% as at 30 September 2015, up from 59.0% of total hubbing households recorded a year ago.

3. GROUP CASH FLOW STATEMENT

	Quarter ended 30 Sep		Nine Months ended 30 Sep	
	2015 S\$m	2014 S\$m	2015 S\$m	2014 S\$m
Operating Activities				
Profit before taxation	142.1	119.1	352.9	339.5
Adjustments for :				
Depreciation and amortisation (net of asset grants)	68.1	67.8	206.3	203.1
Income related grants	(11.8)	(17.4)	(31.8)	(34.8)
Share-based payments expenses	2.3	2.0	7.1	7.1
Changes in fair value of financial instruments	(6.8)	(0.1)	(4.9)	1.1
Net finance expenses	3.7	4.0	11.3	12.8
Share of loss of equity-accounted investee	0.2	-	0.2	-
Non-operating income	(15.0)	-	(15.0)	-
Other non-cash items	0.1	0.1	0.4	0.6
Operating cash flow before working capital changes	182.9	175.4	526.5	529.4
Changes in working capital	58.6	48.4	(13.1)	56.0
Income tax (paid) / refund	(35.2)	(32.7)	(91.5)	(65.3)
Net cash from operating activities	206.3	191.1	421.9	520.1
Investing Activities				
Proceeds from disposal of fixed assets	0.1	0.2	0.5	0.7
Purchase of fixed assets	(67.0)	(73.0)	(225.8)	(235.5)
Interest received	0.5	0.4	1.4	1.6
Repayment of loan from an associate ⁽¹⁾	36.9	-	36.9	-
Investment in an associate ⁽¹⁾	(12.0)	-	(12.0)	-
Net cash used in investing activities	(41.5)	(72.5)	(199.0)	(233.2)
Financing Activities				
Proceeds from exercise of share options	-	0.0	0.3	0.4
Grants received	6.1	6.3	19.9	22.1
Dividends paid	(86.4)	(86.3)	(259.4)	(258.9)
Finance expenses paid	(7.0)	(7.2)	(15.8)	(17.3)
Net cash used in financing activities	(87.3)	(87.2)	(255.0)	(253.8)
Net change in cash and cash equivalents	77.5	31.5	(32.1)	33.1
Exchange difference on cash and cash equivalents	0.3	0.1	0.3	0.0
Cash and cash equivalents at beginning of the period	154.6	268.4	264.2	266.9
Cash and cash equivalents at end of the period	232.4	300.0	232.4	300.0

Note (1) During the quarter ended 30 September 2015, STT APDC Pte. Ltd. made an investment of S\$36.9 million for a 70% equity interests in SSAPL, which SSAPL used to repay the loan due to StarHub. Post transaction, the Group subscribed to its 30% share of equity call by SSAPL.

Compared to 3Q-2014, the Group's net cash from operating activities for the quarter was S\$15.2 million higher at S\$206.3 million, contributed by higher cash flows from operations and positive working capital changes, offset by higher income tax paid. For the nine months, the Group's total net cash from operating activities was S\$98.2 million lower at S\$421.9 million, on account of higher working capital needs and income tax paid.

This quarter's positive working capital changes of S\$58.6 million was attributed to higher net balance due to related parties, trade and other payables, coupled with lower trade receivables, offset by higher inventories, other receivables, deposits and prepayments. For

the nine-month period, the negative working capital changes of S\$13.1 million was due to lower trade and other payables, and higher other receivables, deposits and prepayments, mitigated by lower trade receivables, and higher net balance due to related parties.

Net cash outflow from investing activities was S\$41.5 million for the quarter and S\$199.0 million for the nine-month period. The current periods' cash flow included a loan repayment by SSAPL totalling S\$36.9 million from new equity contributions by STT APDC Pte. Ltd. for a 70% stake in SSAPL. The Group's 100% equity interest in SSAPL was thereafter diluted to 30%. Post transaction, the Group also made an additional investment of S\$12.0 million pursuant to an equity call by SSAPL. The Group's CAPEX payments totalled S\$67.0 million in 3Q-2015 and S\$225.8 million for year-to-date. As a percentage of revenue, total CAPEX payment was at 11.1% for the quarter and 12.5% for the nine-month period.

Compared to 3Q-2014, this quarter's free cash flow at S\$139.3 million was S\$21.2 million higher, mainly due to higher cash flow from operations and lower CAPEX payments. For the nine-month period, free cash flow was 31.1% lower at S\$196.1 million, as cash flow from operating activities was utilised to fund the higher working capital needs and tax payment in the first half this year.

Net cash outflow from financing activities for the quarter was S\$0.1 million higher at S\$87.3 million, and for year-to-date, was S\$1.2 million higher at S\$255.0 million. The year-to-date movement was due to higher dividends paid and lower grants received, mitigated by lower payments of finance expenses.

As at 30 September 2015, the Group's cash and cash equivalents amounted to S\$232.4 million, down from S\$300.0 million a year ago.

Capital expenditure commitments

As of 30 September 2015, the Group's total outstanding capital expenditure commitments amounted to S\$288.3 million. Commitments relating to the construction of the MediaHub project held by SSAPL were excluded following the dilution of our equity stake to 30% interest in SSAPL.

The outstanding commitments include those for the 4G spectrum rights, support systems, expansion and enhancement of our infrastructure and network systems.

4. STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30 Sep 15 S\$m	31 Dec 14 S\$m	30 Sep 15 S\$m	31 Dec 14 S\$m
Non-current assets				
Property, plant and equipment	865.9	911.1	398.3	400.5
Intangible assets	385.8	404.5	64.9	79.3
Subsidiaries	-	-	1,692.1	1,692.1
Associate	27.6	-	27.8	-
Balances with related parties	-	-	44.0	106.0
	1,279.3	1,315.6	2,227.1	2,277.9
Current assets				
Inventories	43.2	42.4	38.7	36.8
Trade receivables	155.5	161.7	140.5	147.7
Other receivables, deposits and prepayments	213.7	185.9	56.3	34.0
Balances with related parties	17.1	17.4	414.2	272.6
Cash and cash equivalents	232.4	264.2	176.5	176.0
	661.9	671.6	826.2	667.1
Less:				
Current liabilities				
Trade and other payables	742.1	795.8	322.1	342.9
Balances with related parties	105.1	99.2	576.3	385.6
Borrowings	337.5	200.0	337.5	200.0
Provision for taxation	85.7	97.9	62.8	35.5
	1,270.4	1,192.9	1,298.7	964.0
Net current liabilities	(608.5)	(521.3)	(472.5)	(296.9)
Non-current liabilities				
Trade and other payables	18.3	23.3	18.3	23.3
Borrowings	350.0	487.5	350.0	487.5
Deferred income	2.0	7.3	0.6	-
Deferred tax liabilities	109.7	127.2	53.5	75.9
	480.0	645.3	422.4	586.7
Net assets	190.8	149.0	1,332.2	1,394.3
Shareholders' equity				
Share capital	293.5	282.6	293.5	282.6
Reserves	(102.7)	(133.6)	1,038.7	1,111.7
Total equity	190.8	149.0	1,332.2	1,394.3

GROUP BALANCE SHEET REVIEW

As at 30 September 2015, the Group's non-current assets was S\$1,279.3 million, a decrease of S\$36.3 million compared to 31 December 2014. The decrease was largely due to the de-consolidation of SSAPL's non-current assets, mainly fixed assets, following the dilution of our equity interest from 100% to 30% at fair value. Post transaction, in response to an equity call by SSAPL, interests in associate increased by S\$12.0 million to a total of S\$27.6 million as at 30 September 2015.

Total current assets as at 30 September 2015 was lower at S\$661.9 million when compared to S\$671.6 million as at 31 December 2014. The decrease of S\$9.7 million was largely due to lower cash and cash equivalents, and trade receivables, offset by higher other receivables, deposits and prepayments.

Against 31 December 2014, total current liabilities was S\$77.5 million higher at S\$1,270.4 million as at 30 September 2015, attributed to higher balance due to related parties of S\$5.9 million and the reclassification of S\$137.5 million of bank loans from non-current liabilities to current liabilities. This was offset by lower trade and other payables of S\$53.7 million and provision for taxation S\$12.2 million.

Total non-current liabilities decreased S\$165.3 million from S\$645.3 million as at 31 December 2014 to S\$480.0 million as at 30 September 2015, mainly due to the reclassification of S\$137.5 million of bank loans to current liabilities, lower trade and other payables, deferred income and deferred tax liabilities.

Compared to 31 December 2014, the Group's shareholders' equity was up S\$41.8 million to S\$190.8 million as at 30 September 2015, contributed by higher share capital and retained profits.

5. GROUP UNSECURED BORROWINGS

	30 Sep 15 S\$m	31 Dec 14 S\$m
Unsecured borrowings		
Amount repayable in one year or less		
Bank loans	337.5	200.0
	337.5	200.0
Amount repayable after one year		
Bank loans	130.0	267.5
Medium term note	220.0	220.0
	350.0	487.5
Total	687.5	687.5

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

Against 31 December 2014, net debt as at 30 September 2015 was S\$31.8 million higher at S\$455.1 million, due to lower cash balances. As a percentage of 2014 EBITDA, the Group's net debt was higher at 0.61 times as at 30 September 2015 when compared to 0.57 times as at 31 December 2014.

6. STATEMENT OF CHANGES IN EQUITY

Group	Share capital 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	-	-	-	-	-	172.8	172.8	172.8
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)	-	-	-	1.1	-	-	1.1	1.1
Total comprehensive income for the period	-	-	-	1.1	0.1	172.8	174.0	174.0
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	10.9	-	(10.6)	-	-	-	(10.6)	0.3
Share-based payments expenses	-	-	4.8	-	-	-	4.8	4.8
Dividends paid	-	-	-	-	-	(173.0)	(173.0)	(173.0)
Total transactions with equity holders of the Company	10.9	-	(5.8)	-	-	(173.0)	(178.8)	(167.9)
At 30 Jun 2015	293.5	(276.3)	7.6	(0.3)	0.9	129.7	(138.4)	155.1
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	118.7	118.7	118.7
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)	-	-	-	0.7	-	-	0.7	0.7
Total comprehensive income for the period	-	-	-	0.7	0.4	118.7	119.8	119.8
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Share-based payments expenses	-	-	2.3	-	-	-	2.3	2.3
Dividends paid	-	-	-	-	-	(86.4)	(86.4)	(86.4)
Total transactions with equity holders of the Company	-	-	2.3	-	-	(86.4)	(84.1)	(84.1)
At 30 Sep 2015	293.5	(276.3)	9.9	0.4	1.3	162.0	(102.7)	190.8

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	-	-	-	-	-	-	178.5	178.5	178.5
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)	-	-	-	-	0.6	-	-	0.6	0.6
Total comprehensive income for the period	-	-	-	-	0.6	(0.2)	178.5	179.0	179.0
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	11.0	-	-	(10.6)	-	-	-	(10.6)	0.4
Share-based payments expenses	-	-	-	5.1	-	-	-	5.1	5.1
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	11.0	0.2	-	(5.7)	-	-	(172.6)	(178.1)	(167.1)
At 30 Jun 2014	282.3	-	(276.3)	9.3	(3.6)	0.1	110.5	(159.9)	122.4
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	97.7	97.7	97.7
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)	-	-	-	-	1.1	-	-	1.1	1.1
Total comprehensive income for the period	-	-	-	-	1.1	0.2	97.7	99.0	99.0
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	0.0	-	-	-	-	-	-	-	0.0
Share-based payments expenses	-	-	-	2.0	-	-	-	2.0	2.0
Dividends paid	-	-	-	-	-	-	(86.3)	(86.3)	(86.3)
Total transactions with equity holders of the Company	0.0	-	-	2.0	-	-	(86.3)	(84.3)	(84.3)
At 30 Sep 2014	282.3	-	(276.3)	11.3	(2.5)	0.3	122.0	(145.2)	137.1

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

Company	Share capital 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
<u>Total comprehensive income for the period</u>							
Profit for the period	-	-	-	-	130.2	130.2	130.2
Other comprehensive income							
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	1.1	-	1.1	1.1
Total comprehensive income for the period	-	-	-	1.1	130.2	131.3	131.3
<u>Transactions with equity holders of the Company, recognised directly in equity</u>							
<i>Contributions by and distributions to equity holders of the Company</i>							
Issue of shares pursuant to share plans	10.9	-	(10.6)	-	-	(10.6)	0.3
Share-based payments expenses	-	-	4.8	-	-	4.8	4.8
Dividends paid	-	-	-	-	(173.0)	(173.0)	(173.0)
Total transactions with equity holders of the Company	10.9	-	(5.8)	-	(173.0)	(178.8)	(167.9)
At 30 Jun 2015	293.5	276.5	7.6	(0.3)	780.4	1,064.2	1,357.7
<u>Total comprehensive income for the period</u>							
Profit for the period	-	-	-	-	57.9	57.9	57.9
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	57.9	58.6	58.6
<u>Transactions with equity holders of the Company, recognised directly in equity</u>							
<i>Contributions by and distributions to equity holders of the Company</i>							
Share-based payments expenses	-	-	2.3	-	-	2.3	2.3
Dividends paid	-	-	-	-	(86.4)	(86.4)	(86.4)
Total transactions with equity holders of the Company	-	-	2.3	-	(86.4)	(84.1)	(84.1)
At 30 Sep 2015	293.5	276.5	9.9	0.4	751.9	1,038.7	1,332.2

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
<u>Total comprehensive income for the period</u>								
Profit for the period	-	-	-	-	-	71.5	71.5	71.5
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.6	-	0.6	0.6
Total comprehensive income for the period	-	-	-	-	0.6	71.5	72.1	72.1
<u>Transactions with equity holders of the Company, recognised directly in equity</u>								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	11.0	-	-	(10.6)	-	-	(10.6)	0.4
Share-based payments expenses	-	-	-	5.1	-	-	5.1	5.1
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	11.0	0.2	-	(5.7)	-	(172.6)	(178.1)	(167.1)
At 30 Jun 2014	282.3	-	276.5	9.3	(3.6)	560.2	842.4	1,124.8
<u>Total comprehensive income for the period</u>								
Profit for the period	-	-	-	-	-	58.5	58.5	58.5
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	1.1	-	1.1	1.1
Total comprehensive income for the period	-	-	-	-	1.1	58.5	59.6	59.6
<u>Transactions with equity holders of the Company, recognised directly in equity</u>								
<i>Contributions by and distributions to equity holders of the Company</i>								
Share-based payments expenses	-	-	-	2.0	-	-	2.0	2.0
Dividends paid	-	-	-	-	-	(86.3)	(86.3)	(86.3)
Total transactions with equity holders of the Company	0.0	-	-	2.0	-	(86.3)	(84.3)	(84.3)
At 30 Sep 2014	282.3	-	276.5	11.3	(2.5)	532.5	817.7	1,100.1

7. CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

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

Treasury Shares

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

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

Issue of new shares

For the quarter ended 30 September 2015, there was no new issue of ordinary shares.

For the nine months ended 30 September 2015, the Company issued a total of 3,473,519 new ordinary shares to participants pursuant to the Company's obligations under its share options and share-based plans as follows:

Number of new ordinary shares issued:	YTD Sep 2015
For the exercise of options by participants pursuant to the Company's share option plans (exercise price at S\$1.52)	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	3,297,033
Total	3,473,519

Outstanding Shares – Share Options and Share-Based Plans

Share Option Plans

As at 30 September 2015, there was no outstanding unexercised options under the Company's share option plans (30 September 2014: 478,195).

Performance Share Plans

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

Restricted Stock Plans

As at 30 September 2015, the outstanding balance of conditional awards under the Restricted Stock Plans was 5,329,733 ordinary shares (30 September 2014: 4,803,900 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 did 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 Sep		Nine Months ended 30 Sep	
	2015	2014	2015	2014
Basic				
Earnings per share	6.9 cents	5.7 cents	16.9 cents	16.0 cents
Weighted average number of shares ('000)	1,729,795	1,726,114	1,728,870	1,725,041
Diluted				
Earnings per share	6.8 cents	5.6 cents	16.8 cents	15.9 cents
Weighted average number of shares ('000)	1,736,659	1,733,189	1,735,733	1,732,169

13. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 Sep 2015	31 Dec 2014	30 Sep 2015	31 Dec 2014
Net asset value per share	11.0 cents	8.6 cents	77.0 cents	80.8 cents

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

For the nine months ended 30 September 2015, the Group's service revenue rose by 0.3% YoY, compared to our guidance for full year service revenue to grow in the low single-digit range.

Year-to-date 2015 EBITDA margin at 33.6% of service revenue was above our guidance of EBITDA margin at about 32% of service revenue for the year.

Total year-to-date CAPEX payments totalled 12.5% of total revenue. This was below our guidance for 2015 CAPEX to be at about 13% of total revenue.

15. GROUP OUTLOOK

We expect our overall mobile business to remain stable. Subscription revenue will continue to increase with growth in the subscriber base in both the consumer and enterprise segment as well as higher data consumption. However, voice usage revenues especially in roaming and IDD services will see some softness with increasing substitution by OTT services and WiFi.

In the Fixed business, increased adoption of our growing suite of managed services and connectivity solutions by enterprise customers on our own fixed network infrastructure; higher penetration of NGNBN connectivity in the commercial buildings that enable increased take up of services by Small and Medium Businesses, will further contribute to growth in this business segment.

Pay TV subscription business is expected to remain resilient despite the increasing competition from OTT players offering a variety of internet streaming services and contents. We will continue to offer Hubbing bundles to grow our broadband revenue.

With planned year end festive offers, coupled with recent smart phone launches, our customer acquisition and retention costs are expected to increase.

Based on the current outlook, we expect our Group's 2015 service revenue to be maintained at about the level of 2014. Group EBITDA margin is expected to be about 32% on service revenue, and CAPEX payment 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 November 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 November 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 November 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 July 2015 to 30 September 2015 S\$m
Transactions for the Sale of Goods & Services	
Singapore Airlines Limited & its associates	0.1
Singapore Telecommunications Limited & its associates	8.5
TeleChoice International Ltd & its associates	44.0
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	2.0
	54.6
Transactions for the Purchase of Goods & Services	
CapitaLand Limited & its associates	0.5
Mapletree Commercial Trust & its associates	2.2
SembCorp Industries Ltd & its associates	2.3
Singapore Power Limited & its associates	6.5
Singapore Telecommunications Limited & its associates	19.1
TeleChoice International Ltd & its associates	84.8
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	134.6
	250.0

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 third quarter and nine months ended 30 September 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
6 November 2015