



# StarHub 1Q-2016 Results

## 5 May 2016



## Forward-looking Statements

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*The following presentation may contain forward-looking statements by StarHub Ltd (“StarHub”) relating to financial trends for future periods.*

*Some of the statements in this presentation which are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. These forward-looking statements are based on StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside StarHub’s control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and uncertainties. Because actual results could differ materially from StarHub’s current views, intentions, plans, expectations, assumptions and beliefs about the future, such forward-looking statements are not and should not be construed as a representation, forecast or projection of future performance of StarHub. It should be noted that the actual performance of StarHub may vary significantly from such statements.*

# Management Team



**TAN Tong Hai**  
**CEO**



**Dennis CHIA**  
**CFO**



**Howie LAU**  
**CMO**



**Kevin LIM**  
**CCO**



# Agenda

*1Q2016 Highlights*

Financial Highlights

Business Highlights

2016 Outlook

# Overview (1Q-2016 vs 1Q-2015)

## Financial

- Total revenue decreased 4%
- Service revenue stable
- EBITDA increased 13%
- EBITDA margin at 33.8%
- NPAT increased 26%

## Operational

- Revenue growth in Residential Broadband & Enterprise Fixed
- Subscriber growth in both pre & post-paid Mobile
- Low churn rates maintained across all businesses

# Key Financial Highlights

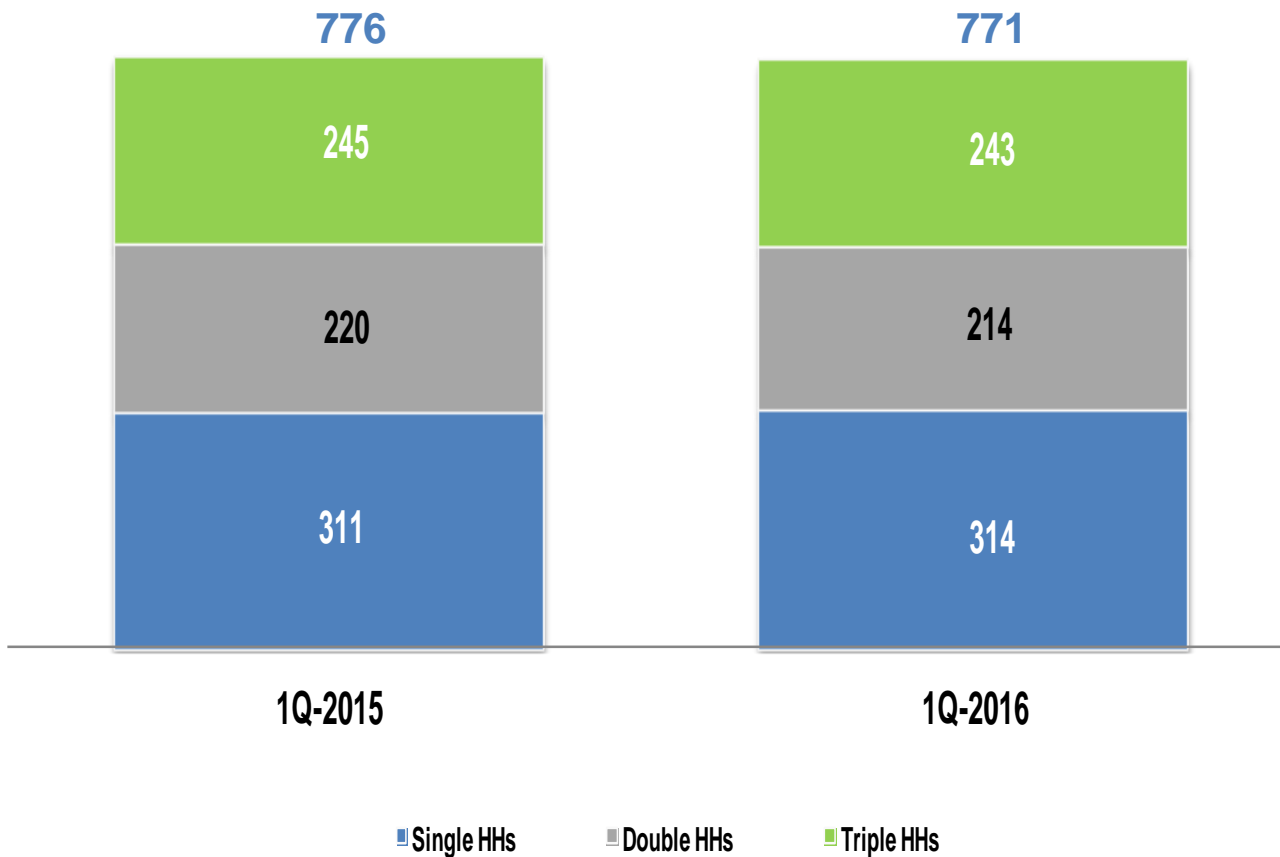
S\$M	1Q-2016	1Q-2015	Change
Total Revenue	<b>591</b>	618	-4%
Service Revenue	<b>542</b>	540	0%
EBITDA	<b>183</b>	162	13%
EBITDA Margin	<b>33.8%</b>	30.0%	3.8% pts
Taxation	<b>(20)</b>	(17)	20%
Net Profit After Tax	<b>93</b>	74	26%
Capex Cash Payments	<b>42</b>	96	-57%
% of Capex to Revenue	<b>7.1</b>	15.6	-8.5% pts
FCF / Fully Diluted Share	<b>5.2¢</b>	-2.7¢	NM
Net Debt to 2015 EBITDA ratio	<b>0.58x</b>	0.65x	-0.07x

# Revenue Contribution & Mix

	First Quarter Ended 31 March					
	2016		2015		Incr / (Decr)	
Total Revenue	S\$m	% mix	S\$m	% mix	S\$m	%
Mobile services	298.1	50.4	305.4	49.4	(7.3)	-2.4
Pay TV services	94.9	16.1	96.0	15.6	(1.1)	-1.2
Broadband services	53.5	9.1	48.1	7.8	5.4	11.3
Enterprise Fixed services	95.8	16.2	90.9	14.7	4.9	5.4
Total service revenue	<b>542.3</b>	<b>91.8</b>	<b>540.4</b>	<b>87.5</b>	<b>1.9</b>	<b>0.4</b>
Sale of equipment	48.6	8.2	77.5	12.5	(28.9)	-37.3
Total Revenue	<b>590.9</b>	<b>100.0</b>	<b>617.9</b>	<b>100.0</b>	<b>(27.0)</b>	<b>-4.4</b>

# Hubbing Scorecard

Hubbing Households ('000)



\* Numbers may not add up due to rounding.



1Q2016 Highlights

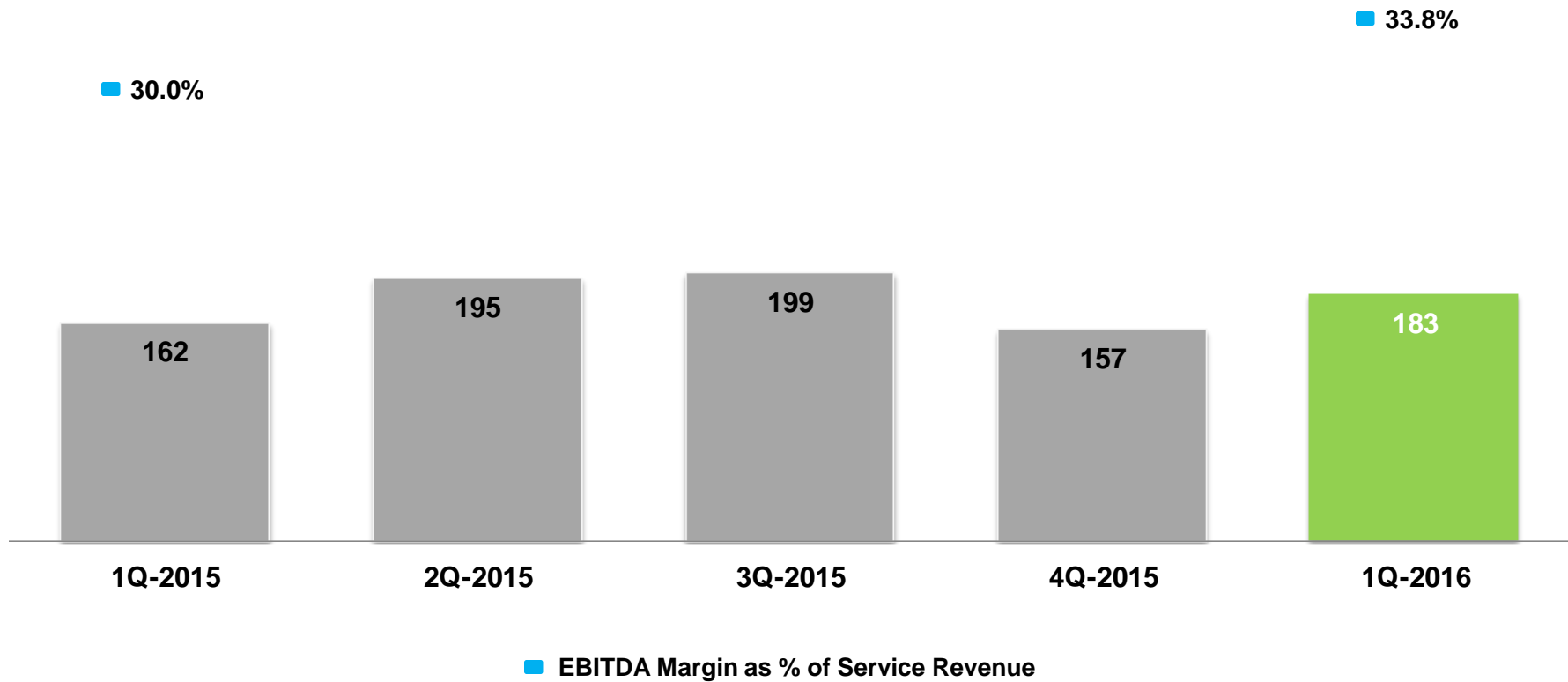
*Financial Highlights*

Business Highlights

2016 Outlook

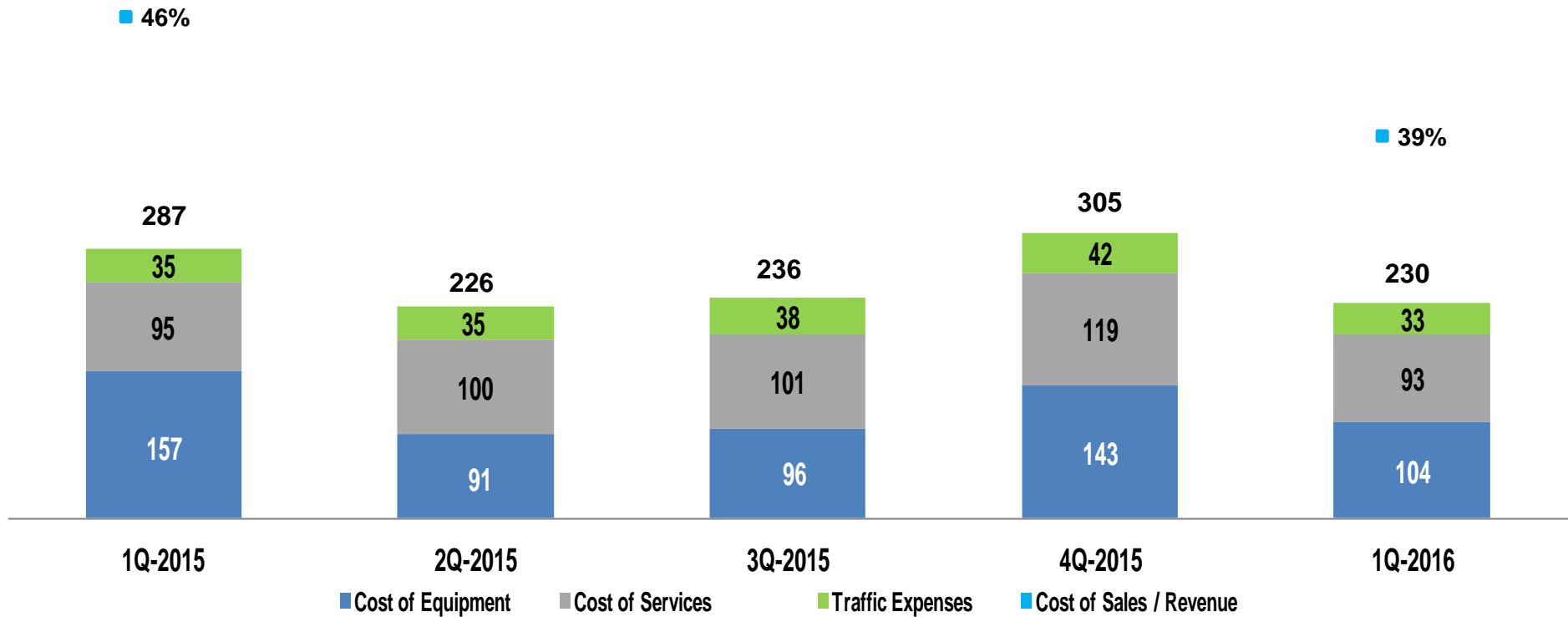
# EBITDA & EBITDA Margin

(S\$M)



# Cost Of Sales

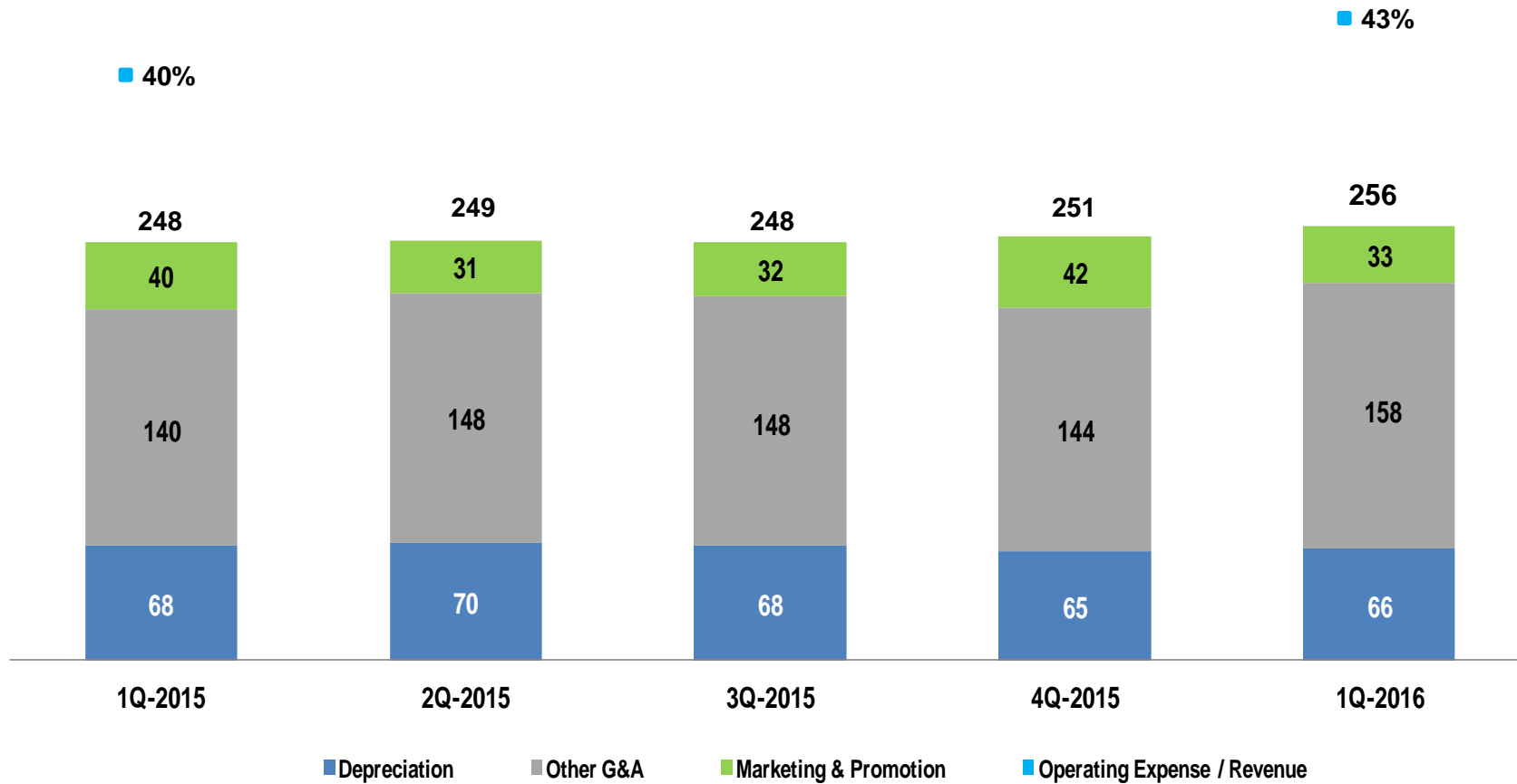
(S\$M)



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# Other Operating Expenses

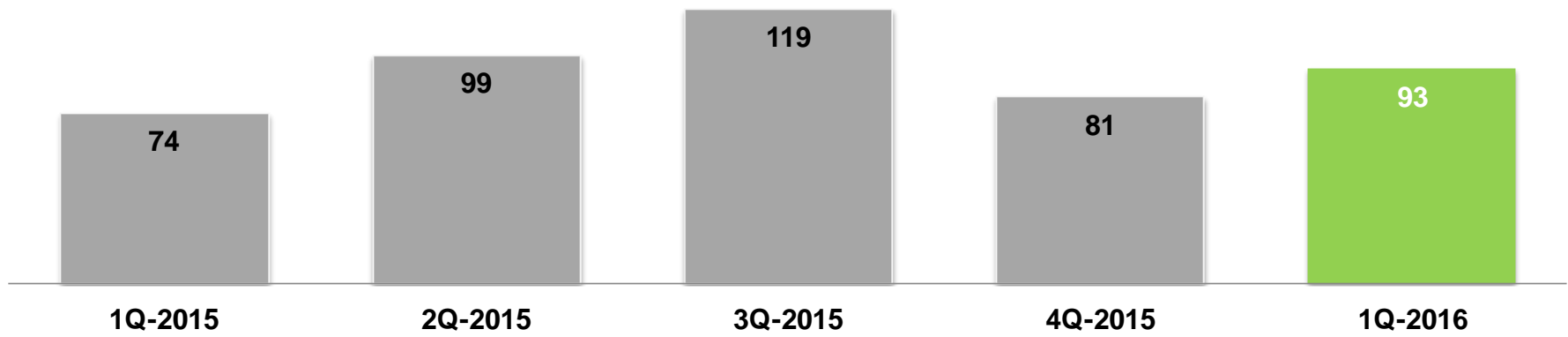
(S\$M)



\* Numbers may not add up due to rounding.

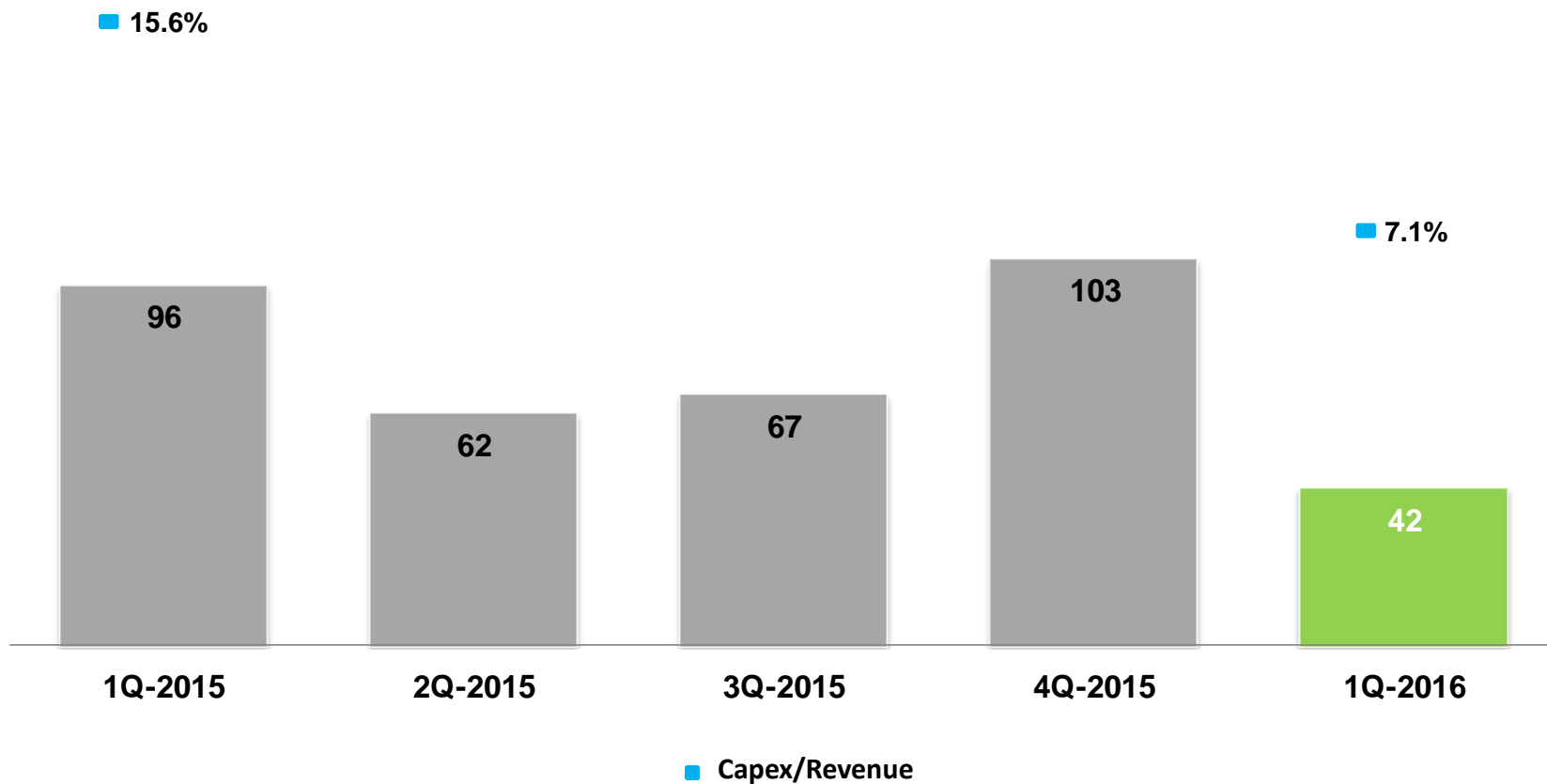
# Net Profit After Tax

(S\$M)



# Capex (cash payments)

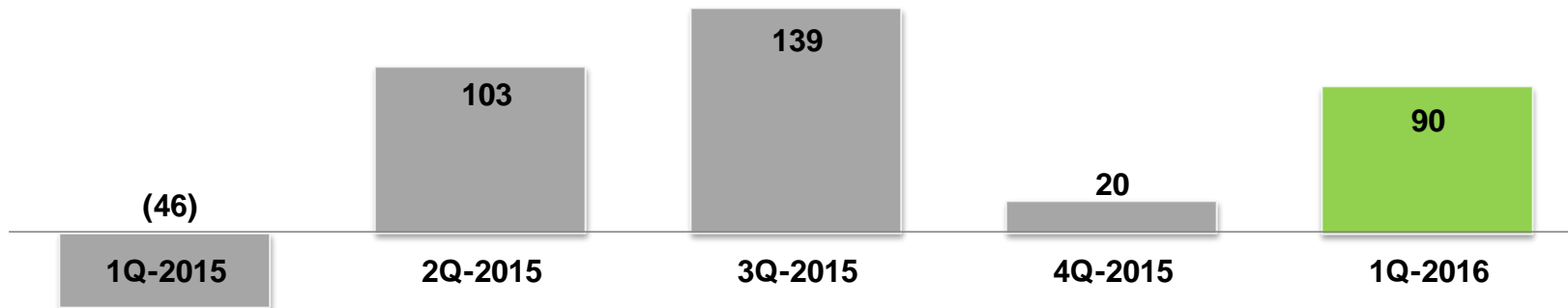
(S\$M)





# Free Cash Flow

(S\$M)



1Q2016 Highlights

Financial Highlights

*Business Highlights – Mobile*

2016 Outlook



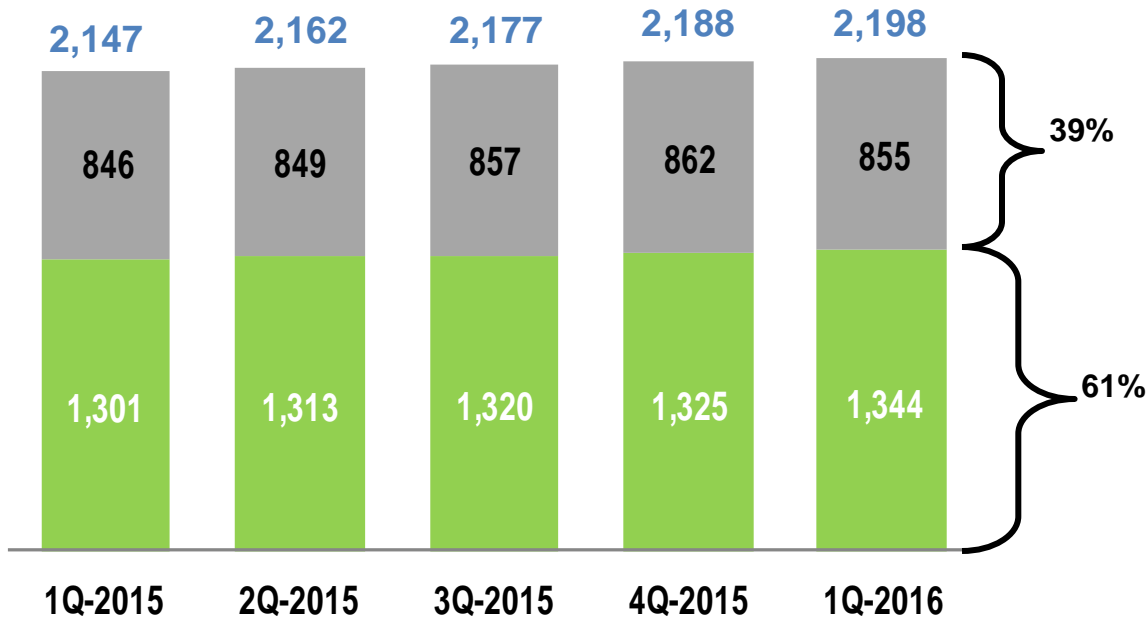
## Mobile (1Q-2016 vs 1Q-2015)

- ❖ Total customer base expanded 51k
- ❖ Post-paid ARPU increased S\$1 to S\$69



# Mobile Customer Base

Customers ('000)



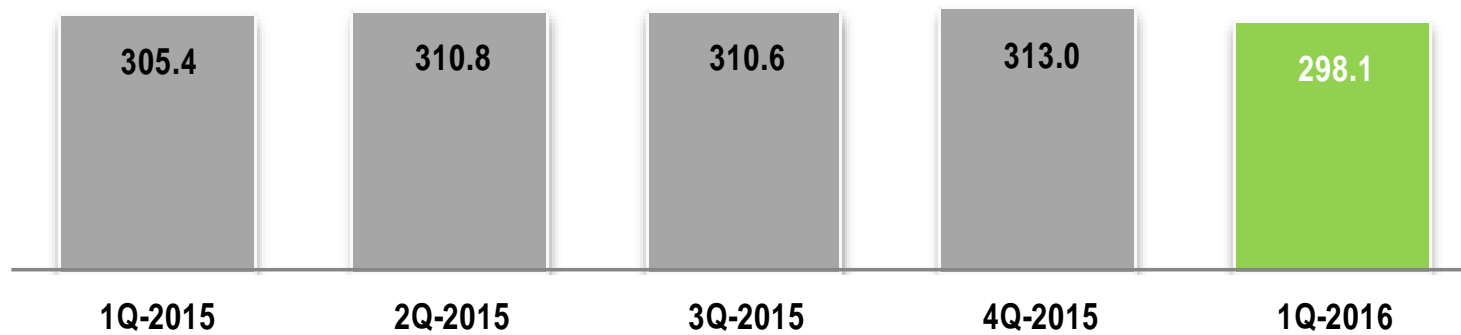
■ Post-paid   ■ Pre-paid

\* Numbers may not add up due to rounding.



# Mobile Revenue

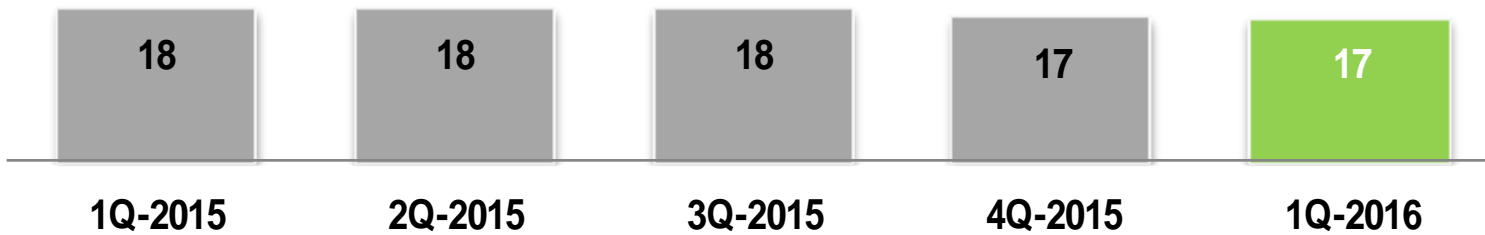
Mobile Revenue (S\$M)



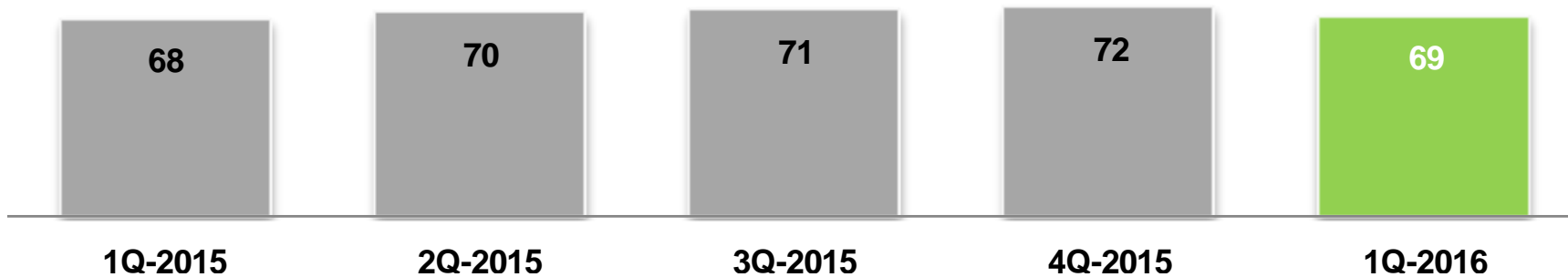


# Mobile ARPU

Pre-paid ARPU (S\$ per month)



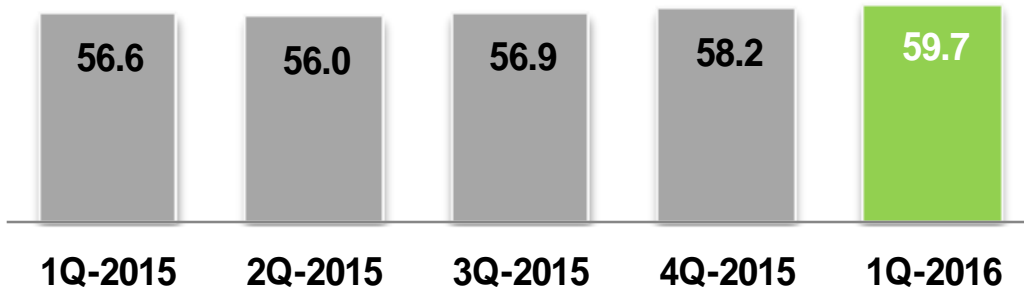
Post-paid ARPU (S\$ per month)



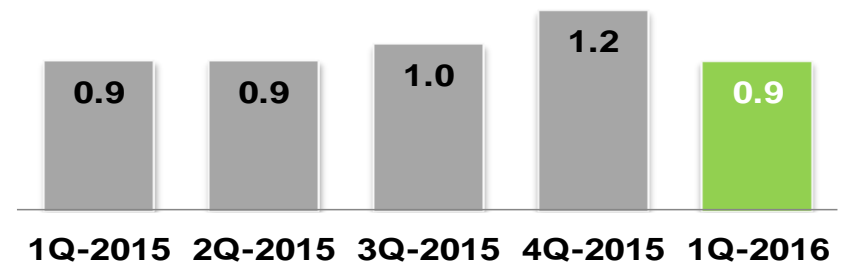


# Mobile Non-Voice & Churn Trend

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



Post-paid Monthly Churn Rate (%)



1Q2016 Highlights

Financial Highlights

***Business Highlights – Pay TV***

2016 Outlook

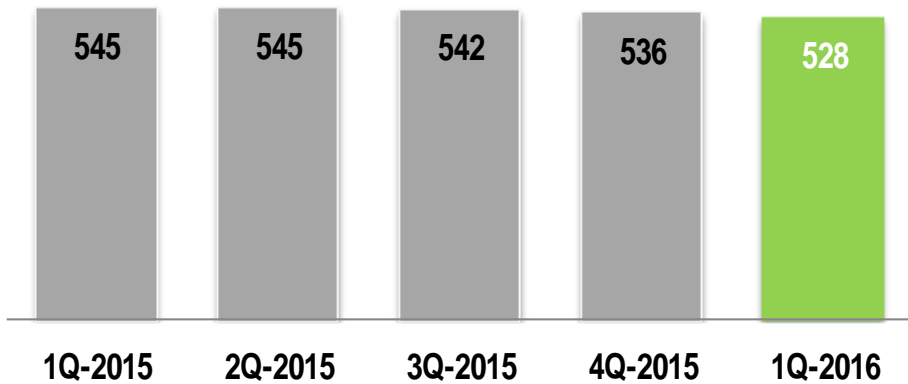
## Pay TV (1Q-2016 vs 1Q-2015)

- ❖ Revenue decreased 1%
- ❖ ARPU at S\$51
- ❖ Customer base decreased 17k

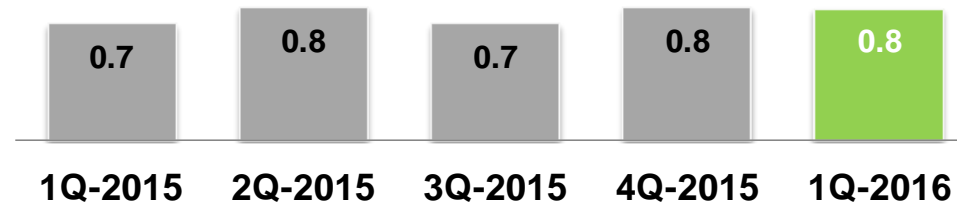


# Pay TV Base & Churn

Customers ('000)



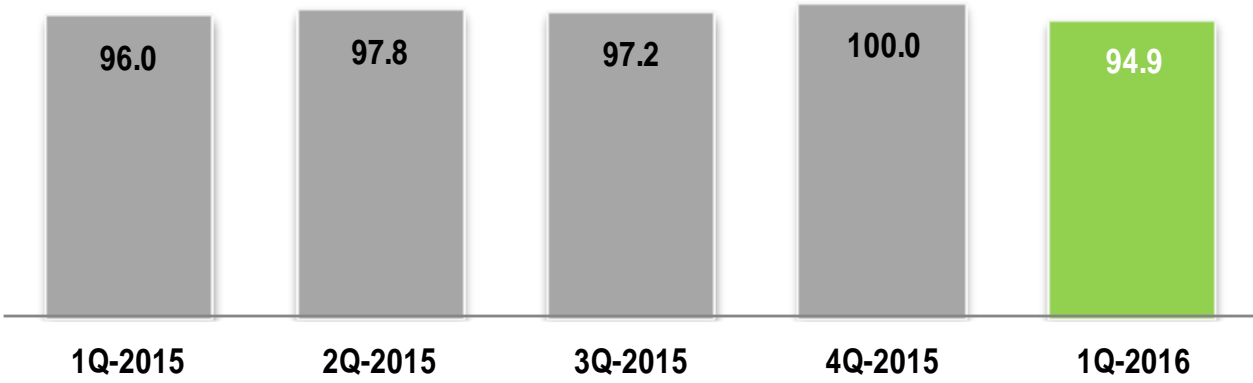
Average Monthly Churn Rate (%)



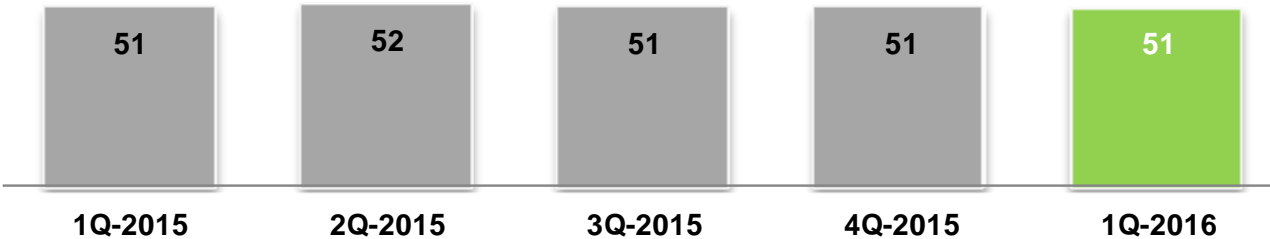


# Pay TV Revenue & ARPU

Pay TV Revenue (S\$M)



Residential Pay TV ARPU (S\$ per month)



1Q2016 Highlights

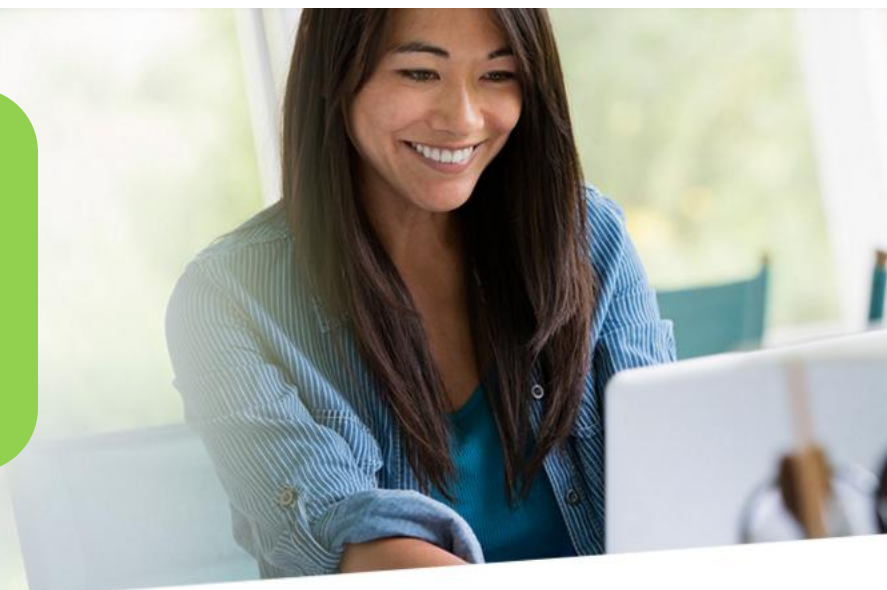
Financial Highlights

***Business Highlights – Broadband***

2016 Outlook

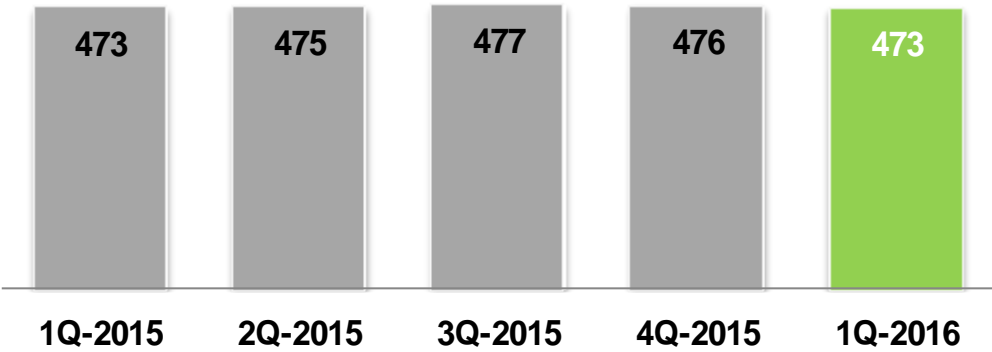
## Broadband (1Q-2016 vs 1Q-2015)

- ❖ Revenue increased 11%
- ❖ ARPU increased by S\$3 to S\$36
- ❖ Customer base stable

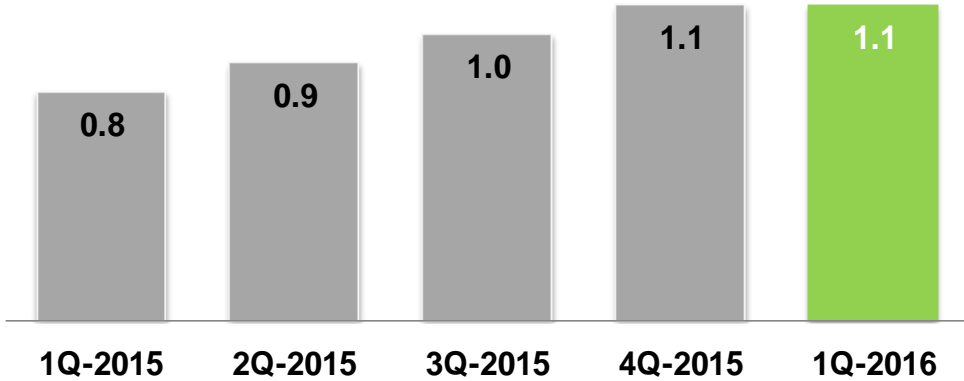


# Broadband Base & Churn

Customers ('000)

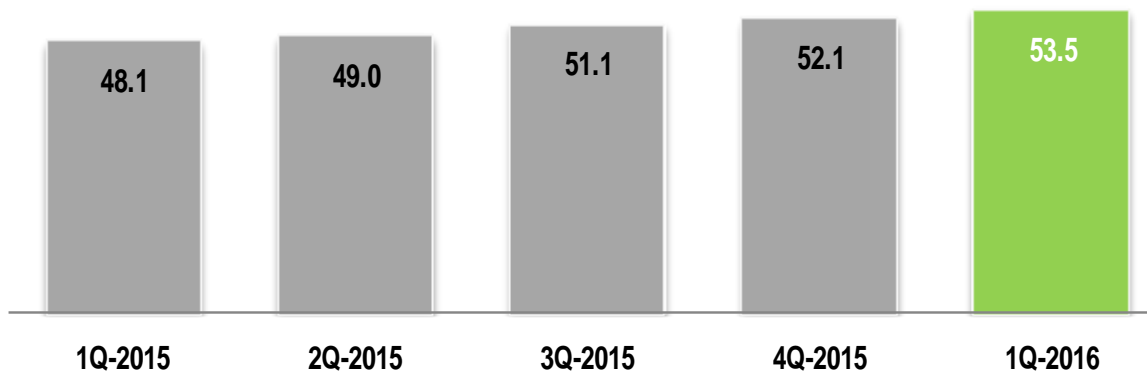


Average Monthly Churn Rate (%)

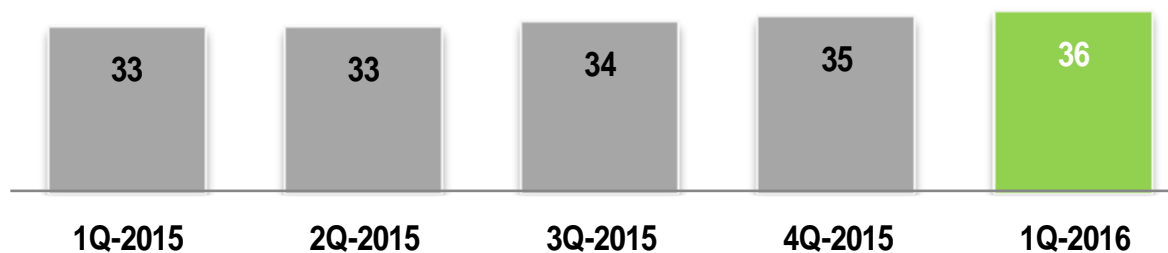


# Broadband Revenue & ARPU

Broadband Revenue (S\$M)



Residential Broadband ARPU (S\$ per month)



1Q2016 Highlights

Financial Highlights

***Business Highlights – Enterprise Fixed***

2016 Outlook

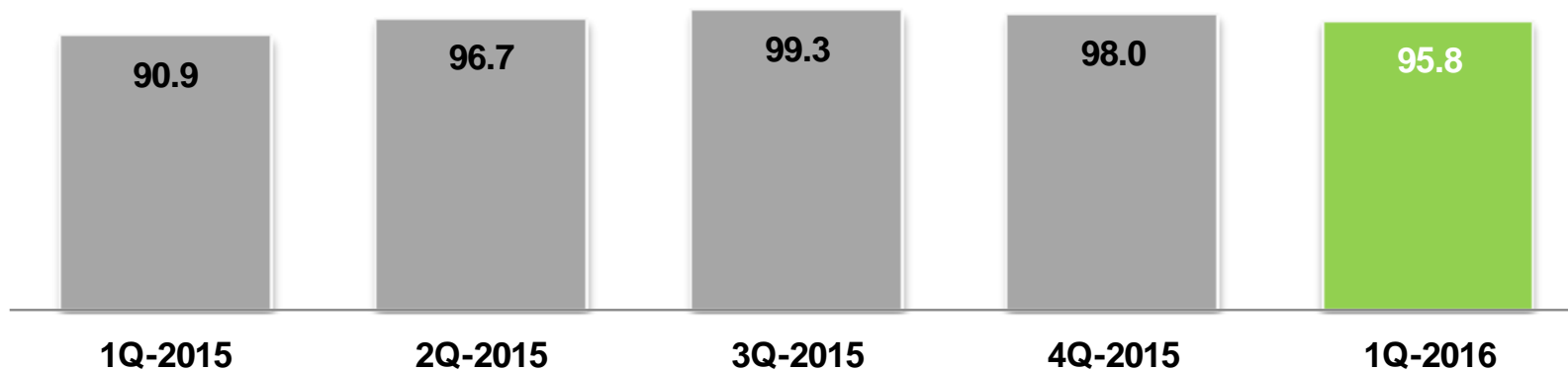
## Enterprise Fixed (1Q-2016 vs 1Q-2015)

- ❖ Data & Internet revenue increased 5%
- ❖ Voice revenue increased 7%



# Enterprise Fixed

Enterprise Fixed Revenue (S\$M)

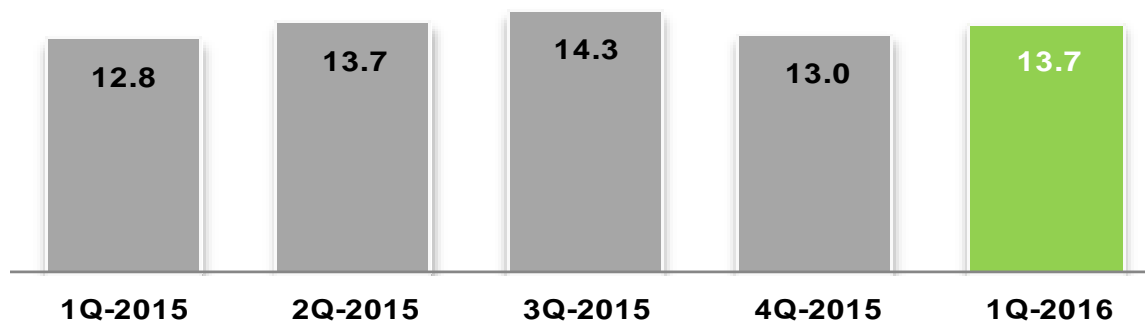


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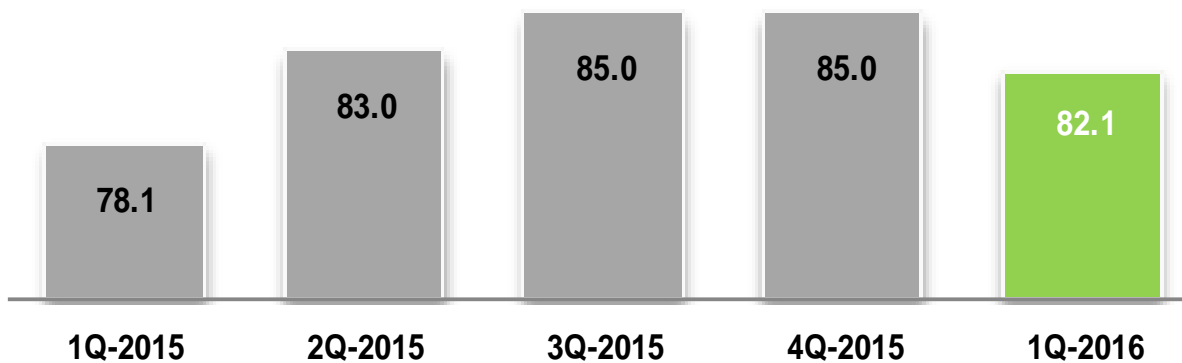


# Voice/Data & Internet

Voice Revenue (S\$M)



Data & Internet Revenue (S\$M)



**1Q2016 Highlights**

**Financial Highlights**

**Business Highlights**

***2016 Outlook***

# FY2016 Outlook

- ❖ **Revenue:** Maintain service revenue to grow in the low single-digit
- ❖ **EBITDA:** Maintain EBITDA margin on service revenue to be about 31%
- ❖ **CAPEX:** Maintain cash capex to be about 13% of total revenue  
(excludes spectrum payment)
- ❖ **Dividend:** Declare 1Q-2016 dividend of 5.0 cents per share  
Maintain annual cash dividend of 20.0 cents per share  
for FY2016



## Investor Relations Contact

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