



StarHub 4Q & FY-2016 Results

3 February 2017



Forward-looking Statements

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

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

Management Team



TAN Tong Hai
CEO



Dennis CHIA
CFO



Howie LAU
CMO



Kevin LIM
CCO



Agenda

FY2016 Highlights

Financial Highlights

Business Highlights

2017 Outlook

Overview (FY-2016 vs FY-2015)

Financial

- Total revenue decreased 2%
- Service revenue stable
- EBITDA decreased 3%
- EBITDA margin at 31.2%
- NPAT decreased 8%

Operational

- Revenue growth in Residential Broadband & Enterprise Fixed
- Subscriber growth in both pre & post-paid Mobile
- Low post-paid mobile churn rate of 0.9%

Key Financial Highlights

\$M	4Q-2016	4Q-2015	Change	FY-2016	FY-2015	Change
Total Revenue	635	634	0%	2,397	2,444	-2%
Service Revenue	567	563	1%	2,209	2,216	0%
EBITDA	136	157	-14%	690	713	-3%
EBITDA Margin	23.9%	27.9%	-3.9%pts	31.2%	32.2%	-1.0%pts
Taxation	(8)	(7)	21%	(69)	(68)	2%
Net Profit After Tax	54	81	-33%	341	372	-8%
Capex Cash Payments	126	103	23%	367	329	12%
% of Capex to Revenue	19.9	16.3	3.6%pts	15.3	13.5	1.8%pts
FCF / Fully Diluted Share	(2.6)¢	1.1¢	NM	10.6¢	12.4¢	-15%
Net Debt to EBITDA ratio	1.02x	0.72x	0.30x	1.02x	0.72x	0.30x

• Numbers may not add up due to rounding / NM – not meaningful

Revenue Contribution

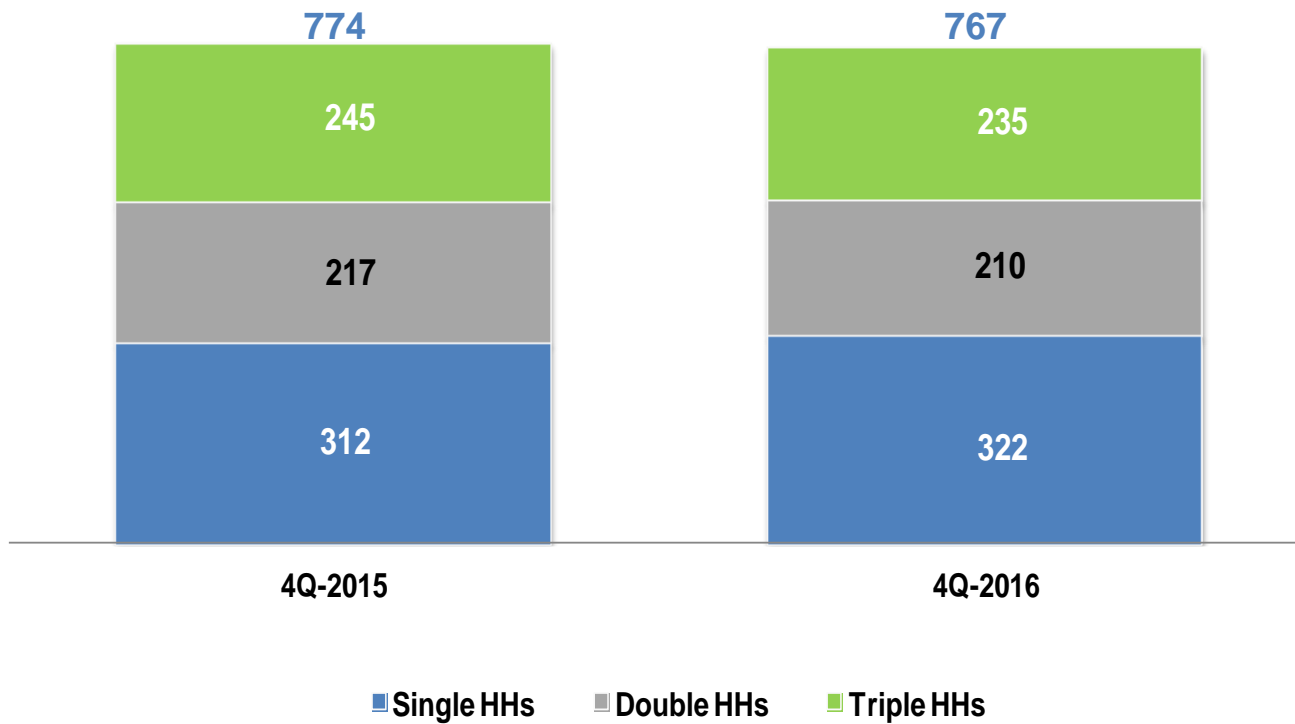
Revenue	Quarter ended 31 Dec				FY ended 31 Dec			
	2016 S\$m	2015 S\$m	Incr / (Decr) S\$m	%	2016 S\$m	2015 S\$m	Incr / (Decr) S\$m	%
Mobile	311.8	313.0	(1.2)	(0.4)	1,214.6	1,239.8	(25.2)	(2.0)
Pay TV	93.9	100.0	(6.1)	(6.1)	377.8	391.0	(13.2)	(3.4)
Broadband	54.2	52.1	2.1	3.9	216.8	200.3	16.5	8.2
Enterprise Fixed	107.2	98.0	9.2	9.5	400.0	384.9	15.1	3.9
Service revenue	567.1	563.1	4.0	0.7	2,209.2	2,216.0	(6.8)	(0.3)
Sales of equipment	67.7	70.7	(3.0)	(4.1)	187.5	228.3	(40.8)	(17.9)
Total revenue	634.8	633.8	1.0	0.2	2,396.7	2,444.3	(47.6)	(1.9)

Revenue Mix

Revenue mix	Quarter ended 31 Dec		FY ended 31 Dec	
	2016 Mix %	2015 Mix %	2016 Mix %	2015 Mix %
Mobile	49.1	49.4	50.7	50.7
Pay TV	14.8	15.8	15.8	16.0
Broadband	8.5	8.2	9.0	8.2
Enterprise Fixed	16.9	15.5	16.7	15.8
Sales of equipment	10.7	11.1	7.8	9.3
Total	100.0	100.0	100.0	100.0

Hubbing Scorecard

Hubbing Households ('000)



* Numbers may not add up due to rounding.

FY2016 Highlights

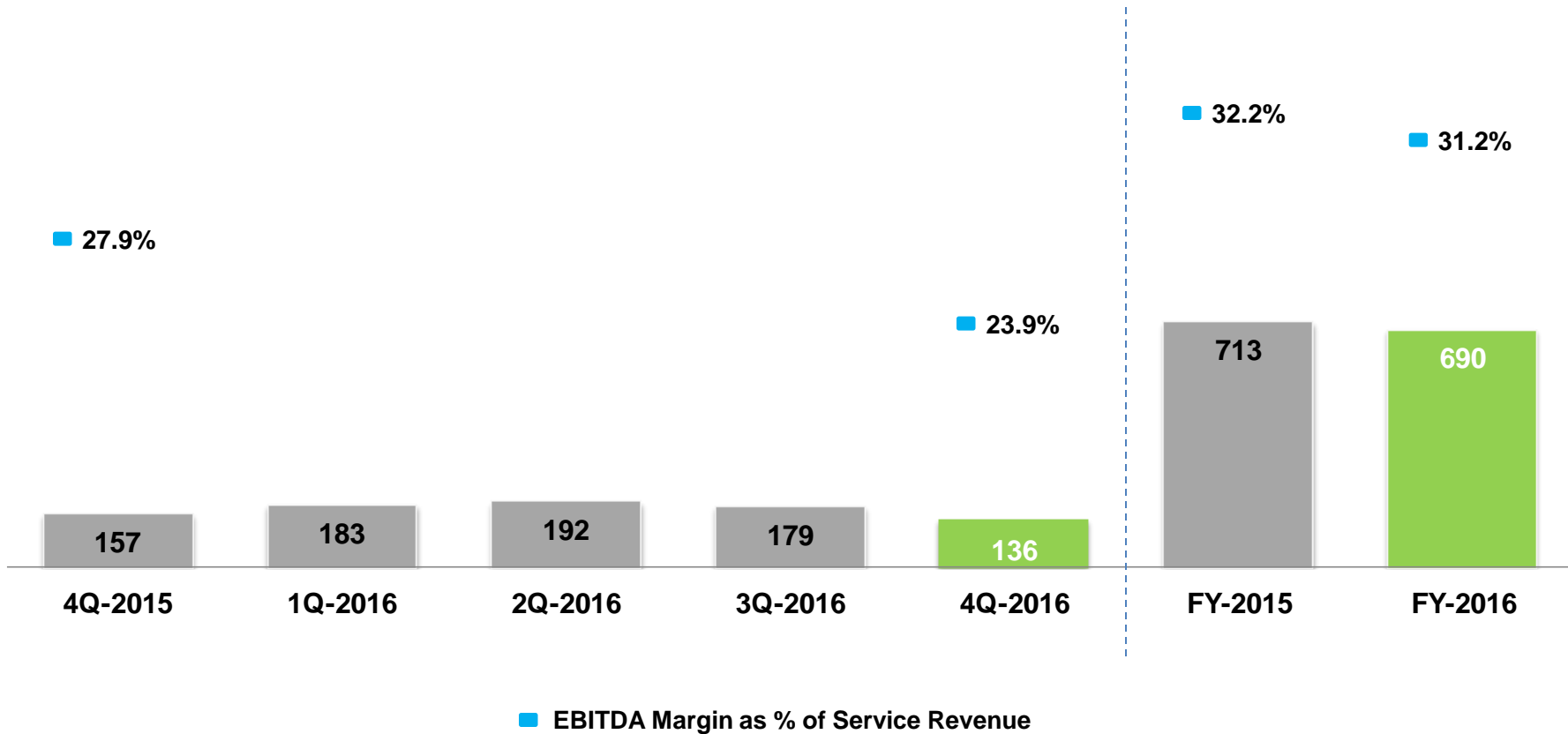
Financial Highlights

Business Highlights

2017 Outlook

EBITDA & EBITDA Margin

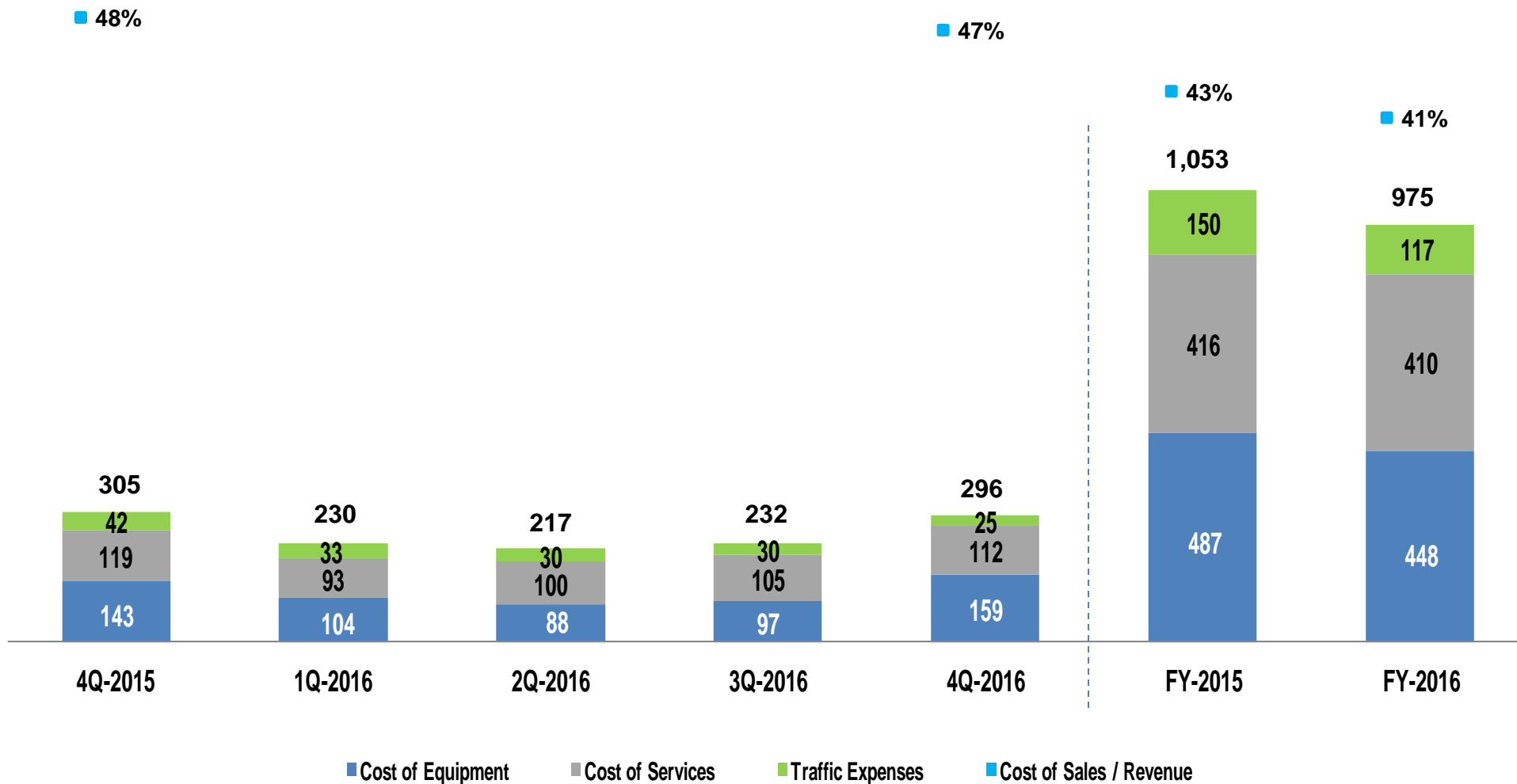
(S\$M)



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Cost Of Sales

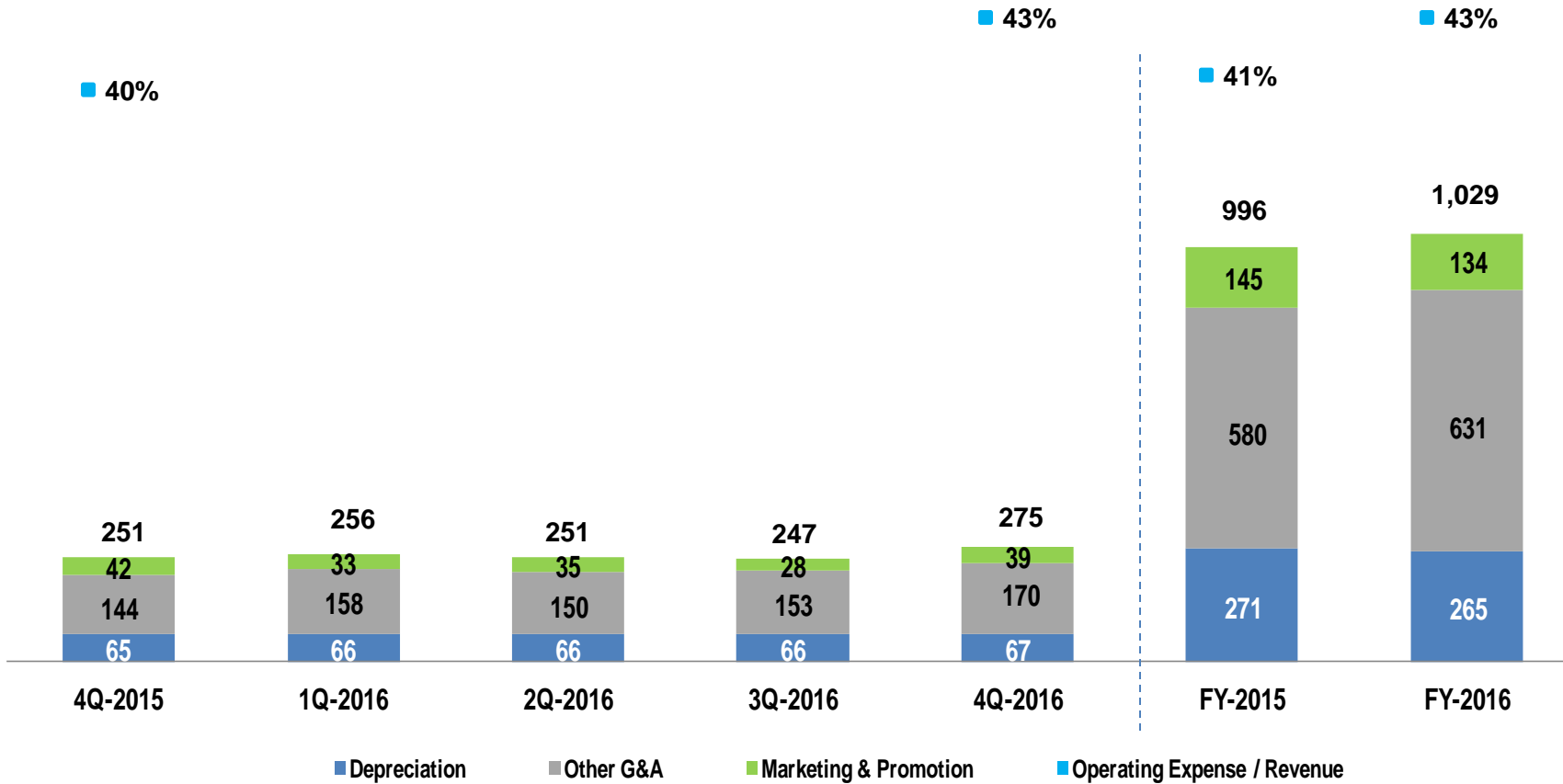
(S\$M)



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Other Operating Expenses

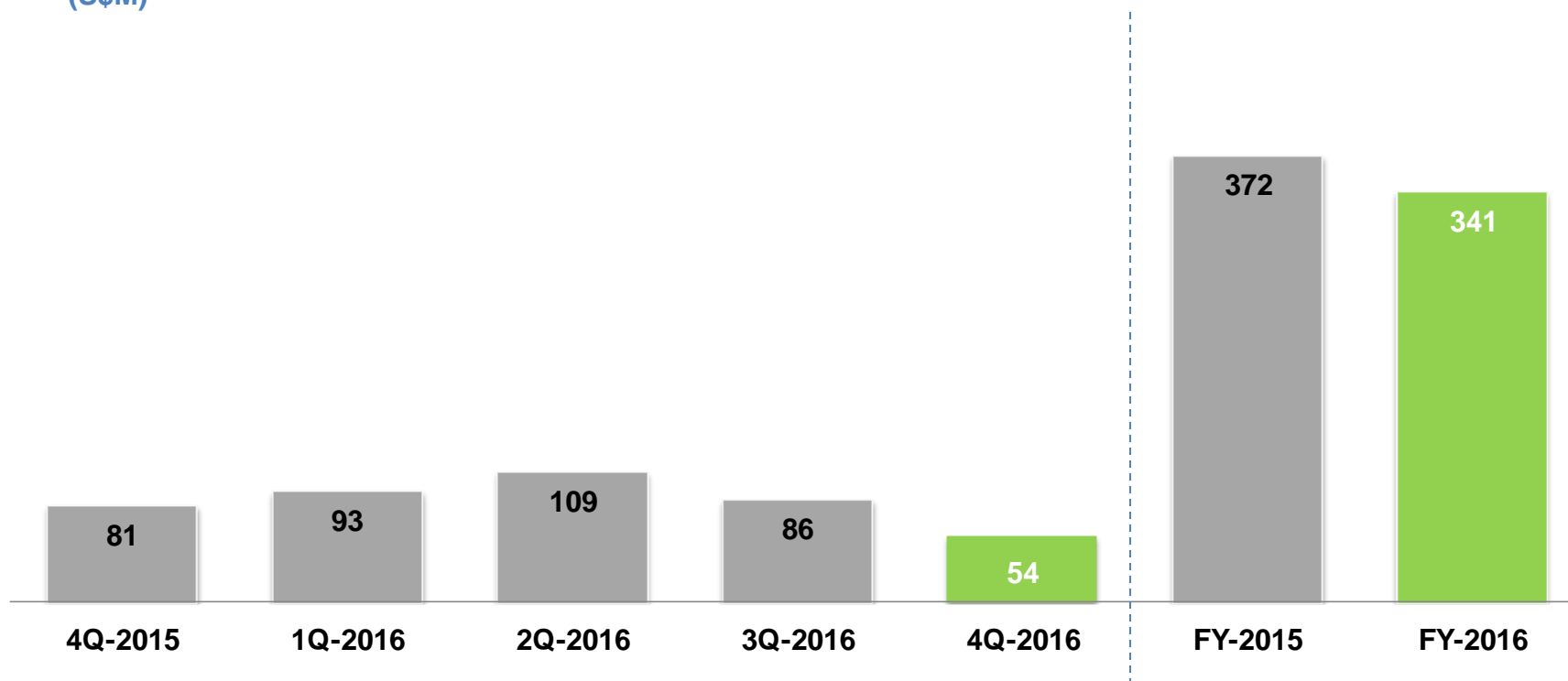
(S\$M)



* Numbers may not add up due to rounding.

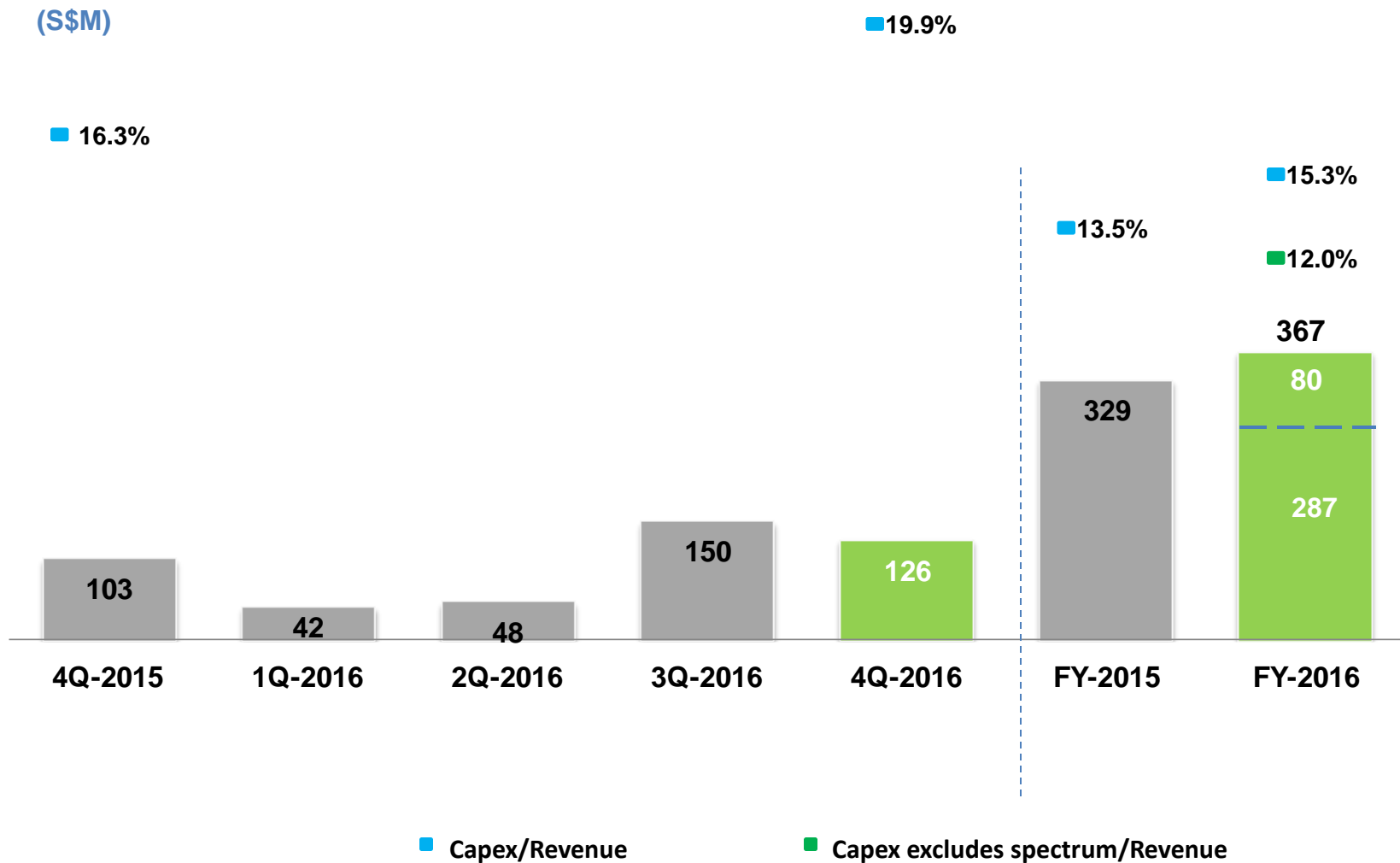
Net Profit After Tax

(S\$M)



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Capex (cash payments)

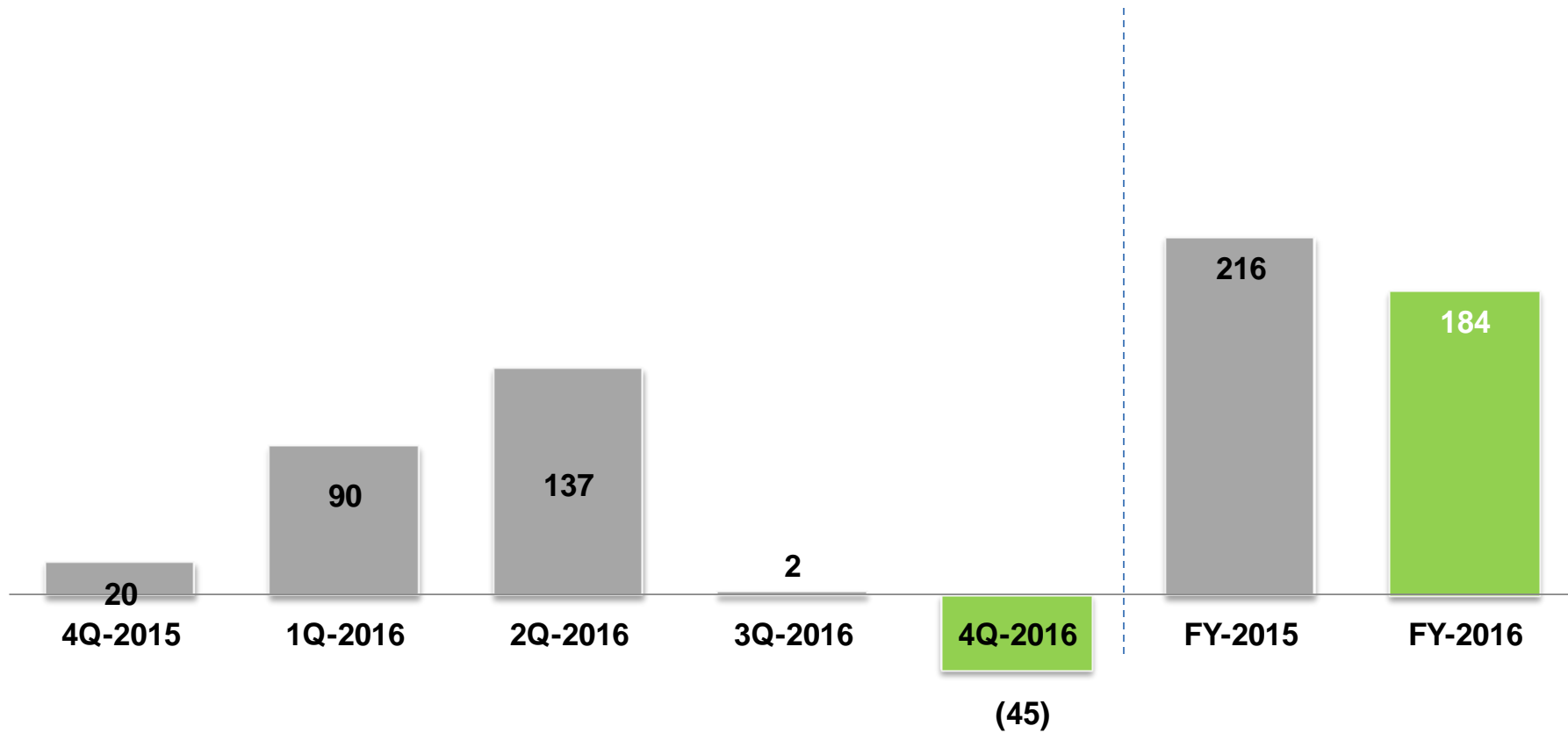


* Numbers may not add up due to rounding.



Free Cash Flow

(S\$M)



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FY2016 Highlights

Financial Highlights

Business Highlights – Mobile

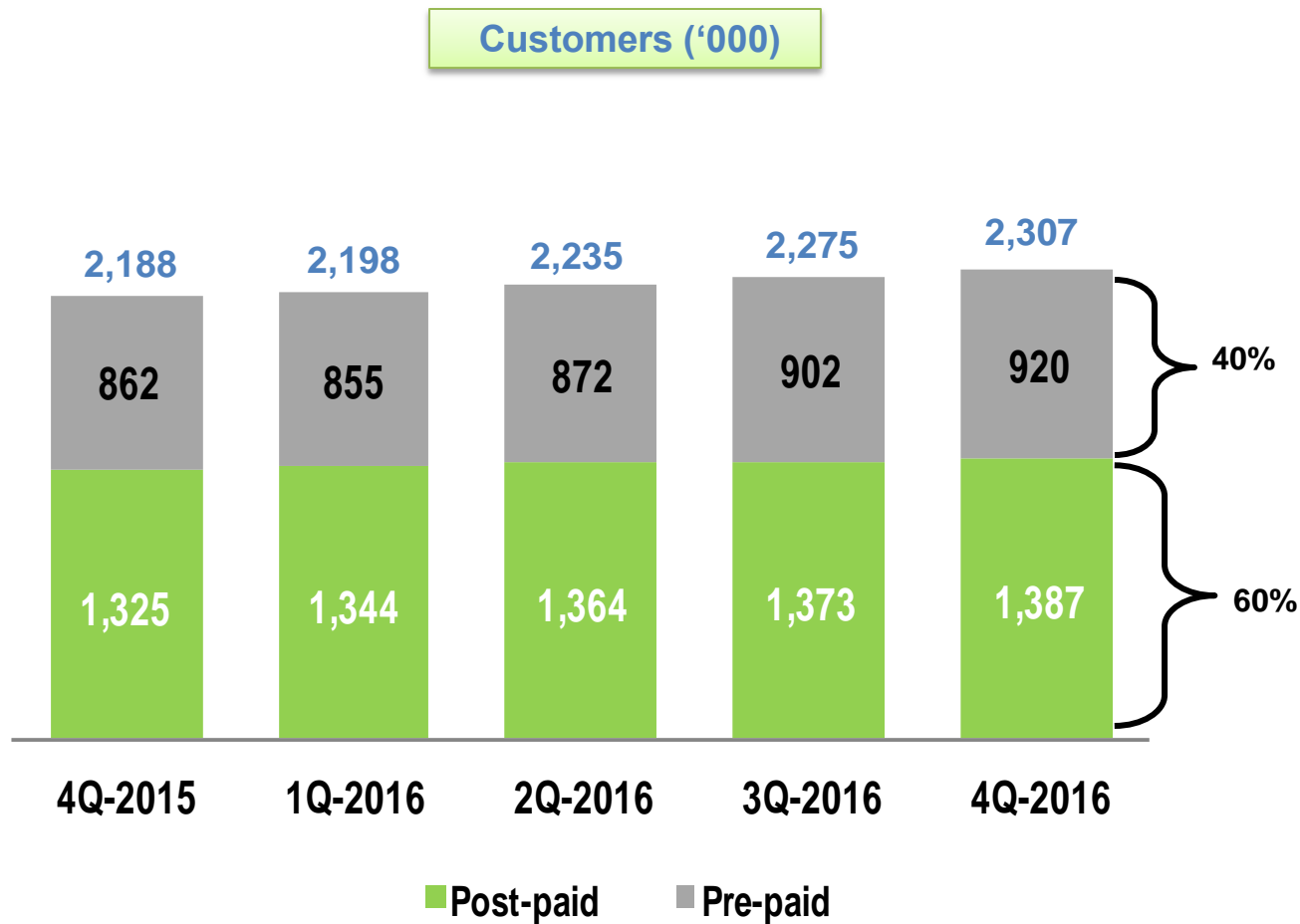
2017 Outlook

Mobile (FY-2016 vs FY-2015)

- ❖ Total customer base expanded 119k
- ❖ Post-paid ARPU at S\$70



Mobile Customer Base

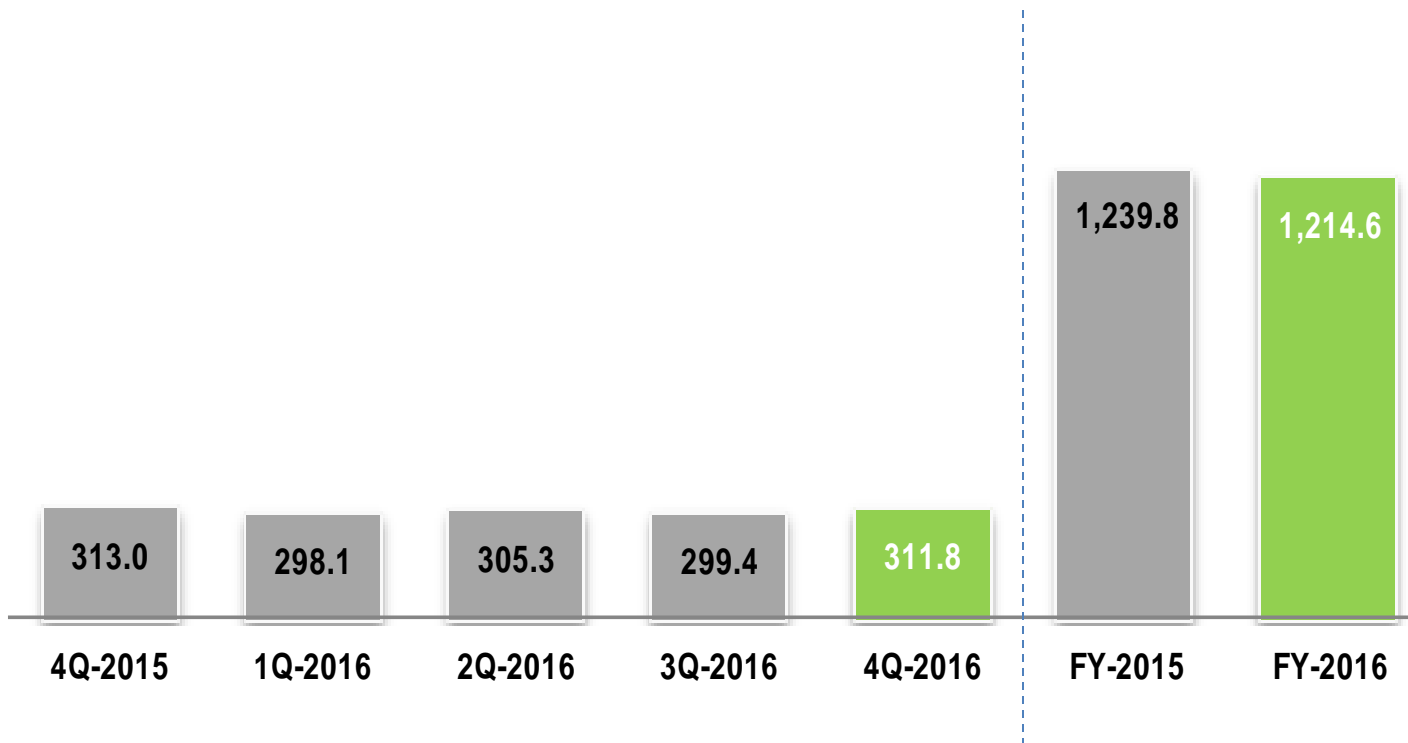


* Numbers may not add up due to rounding.



Mobile Revenue

Mobile Revenue (S\$M)

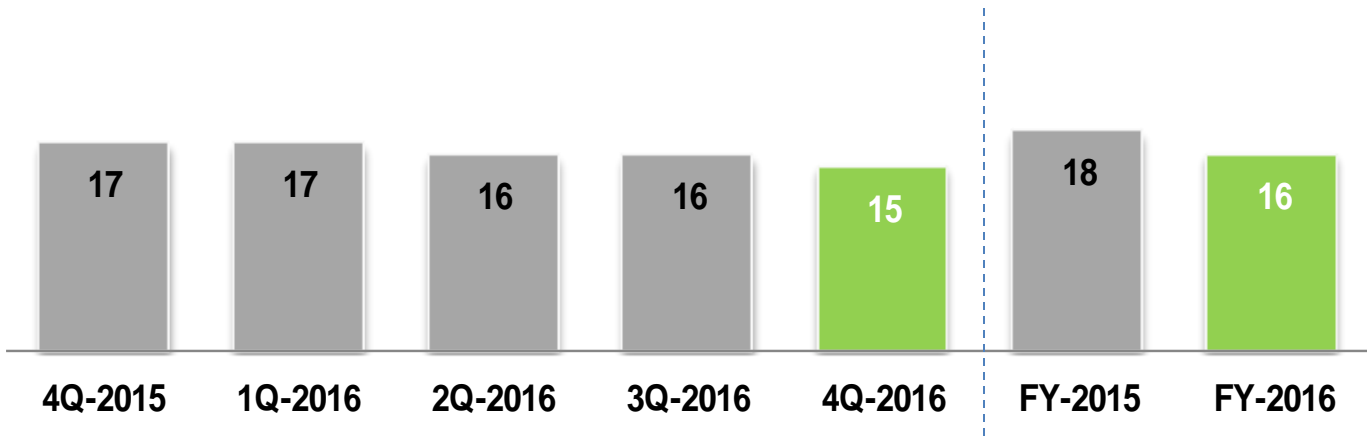


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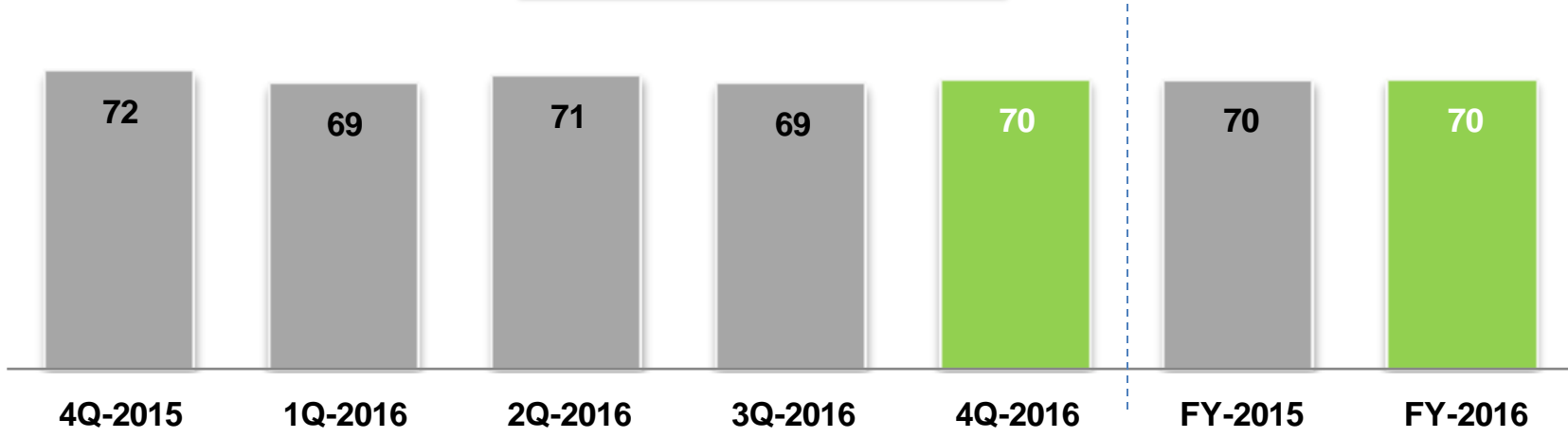


Mobile ARPU

Pre-paid ARPU (S\$ per month)



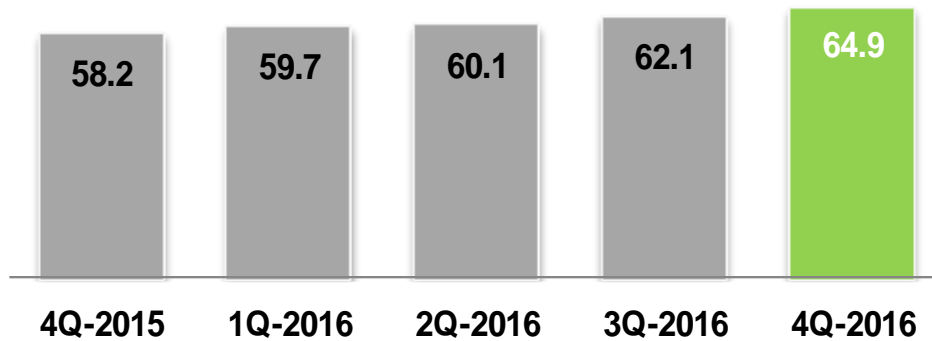
Post-paid ARPU (S\$ per month)



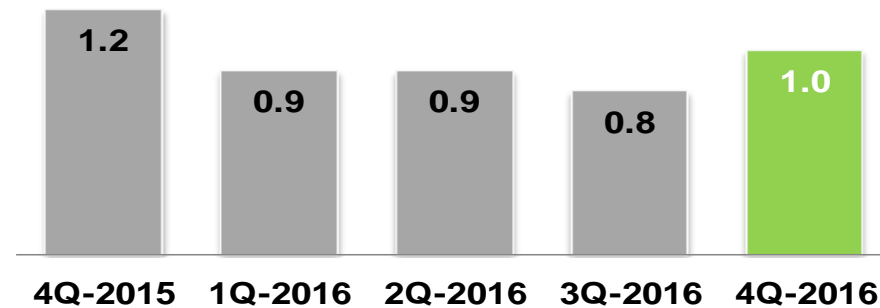


Mobile Non-Voice & Churn Trend

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



Post-paid Monthly Churn Rate (%)



FY2016 Highlights

Financial Highlights

Business Highlights – Pay TV

2017 Outlook

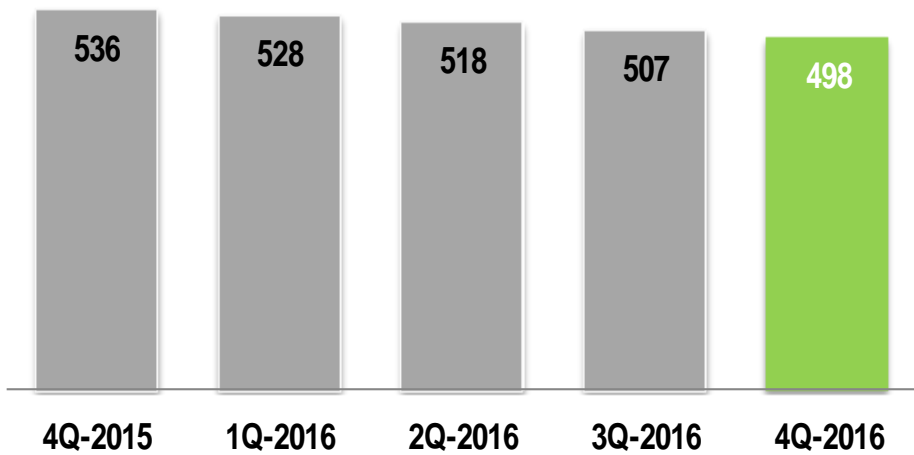
Pay TV (FY-2016 vs FY-2015)

- ❖ Revenue decreased 3%
- ❖ ARPU at S\$51
- ❖ Customer base decreased 38k

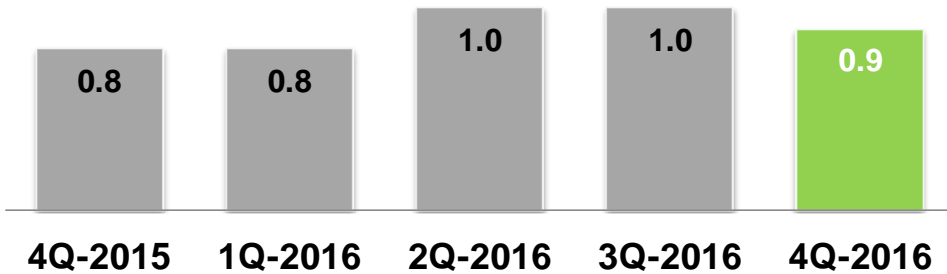


Pay TV Base & Churn

Customers ('000)

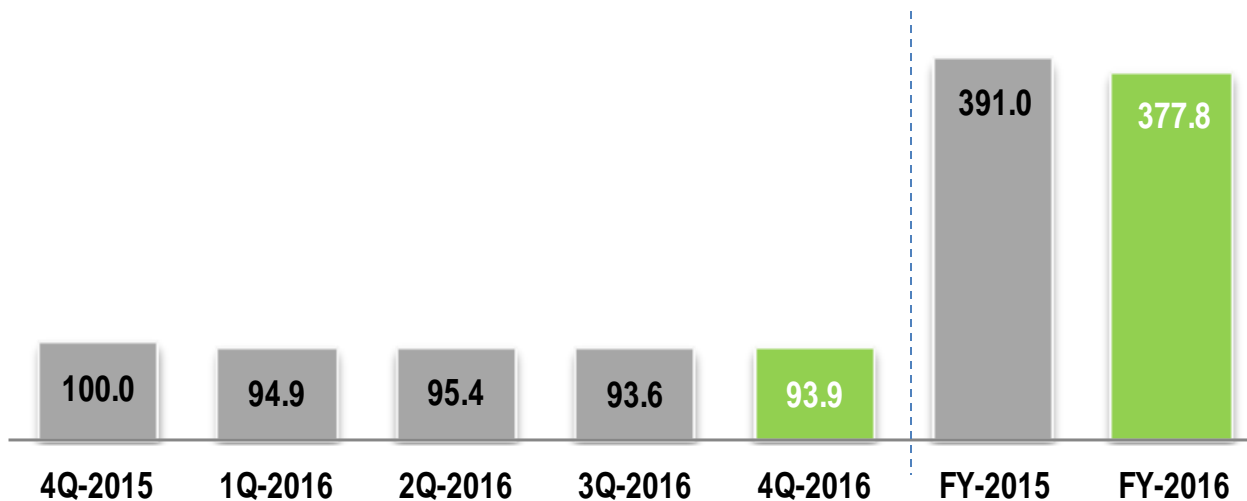


Average Monthly Churn Rate (%)

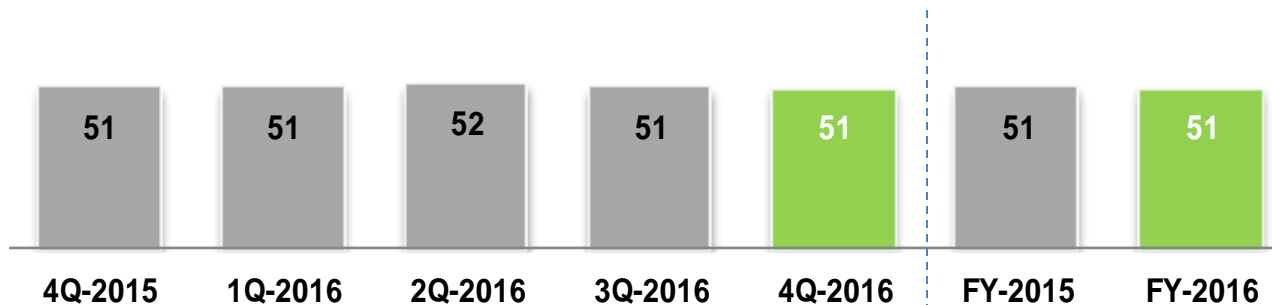


Pay TV Revenue & ARPU

Pay TV Revenue (S\$M)



Residential Pay TV ARPU (S\$ per month)



* Numbers may not add up due to rounding.

FY2016 Highlights

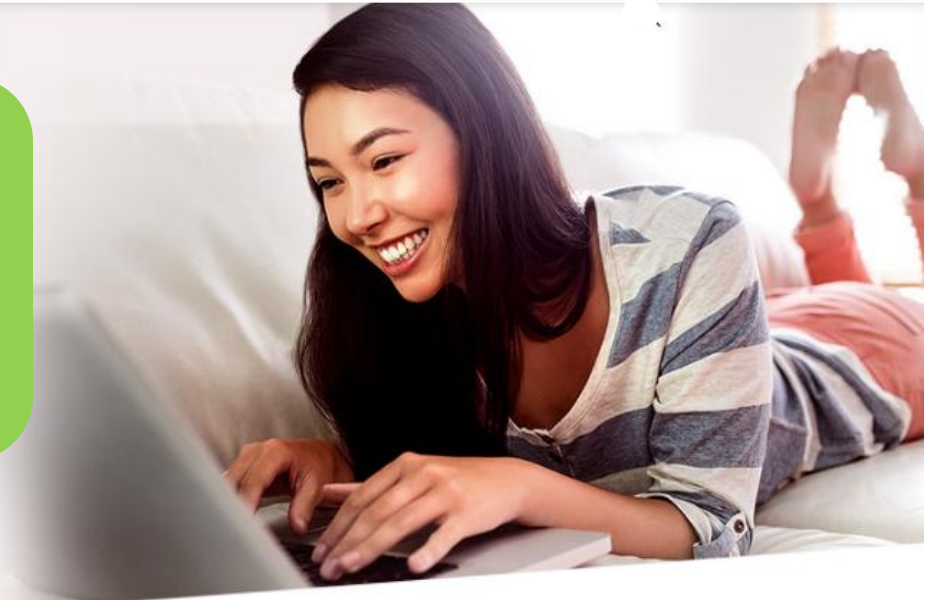
Financial Highlights

Business Highlights – Broadband

2017 Outlook

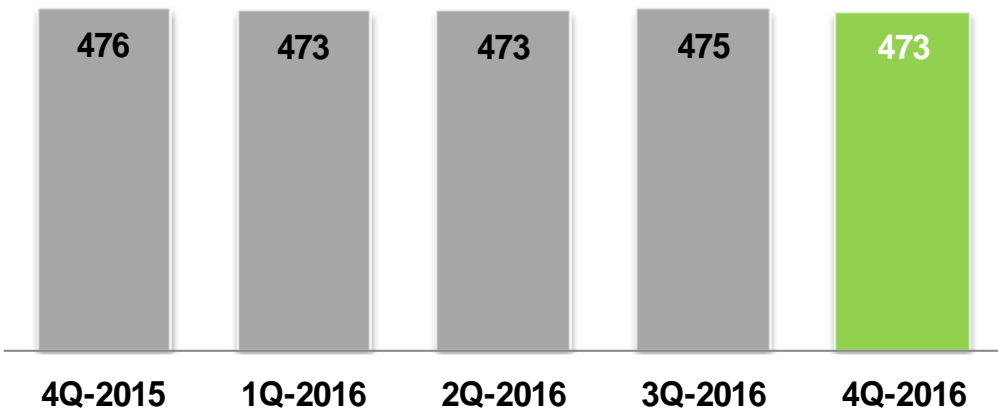
Broadband (FY-2016 vs FY-2015)

- ❖ Revenue increased 8%
- ❖ ARPU increased S\$3 to S\$37
- ❖ Customer base decreased 3k

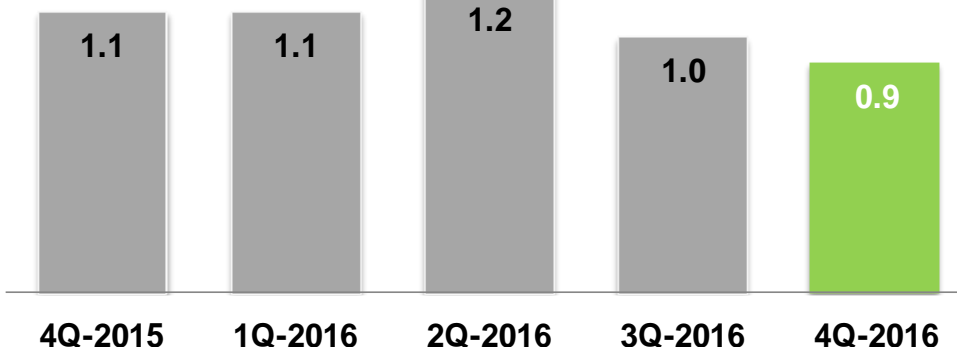


Broadband Base & Churn

Customers ('000)

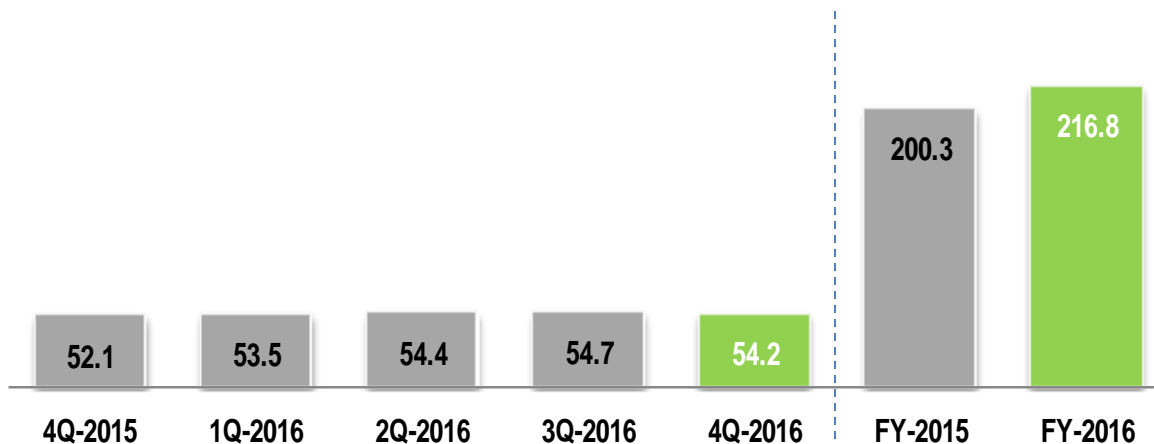


Average Monthly Churn Rate (%)

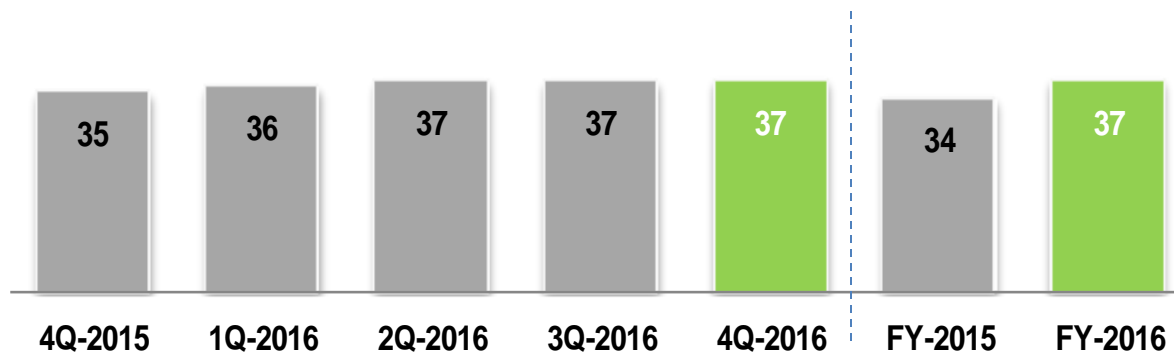


Broadband Revenue & ARPU

Broadband Revenue (\$M)



Residential Broadband ARPU (\$ per month)



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FY2016 Highlights

Financial Highlights

Business Highlights – Enterprise Fixed

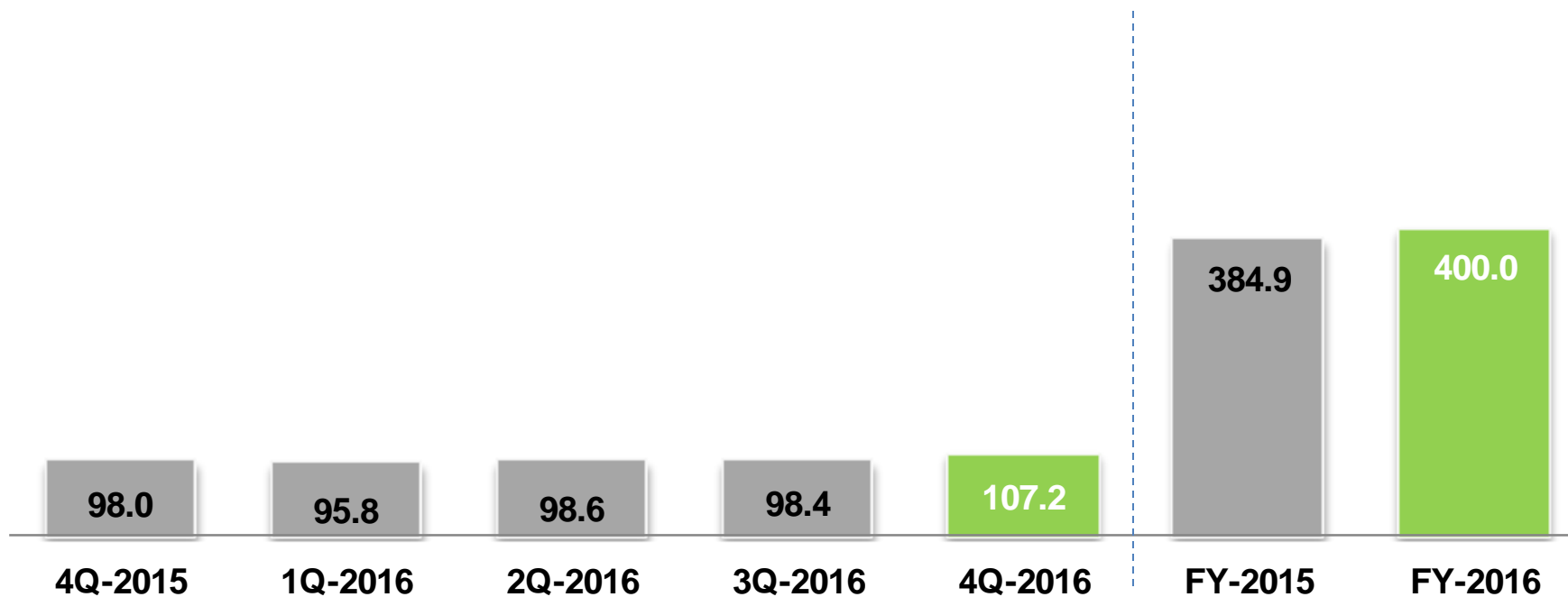
2017 Outlook

Enterprise Fixed (FY-2016 vs FY-2015)

- ❖ Data & Internet revenue increased 5%
- ❖ Voice revenue decreased 2%

Enterprise Fixed

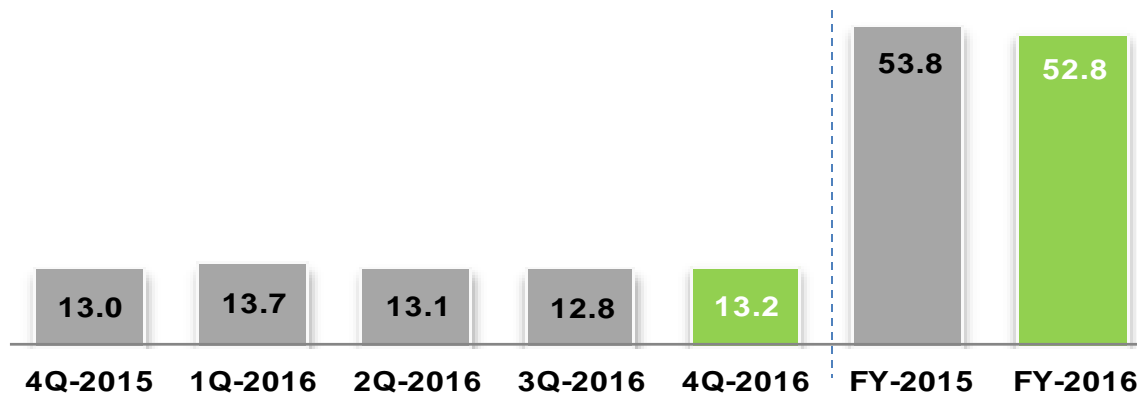
Enterprise Fixed Revenue (S\$M)



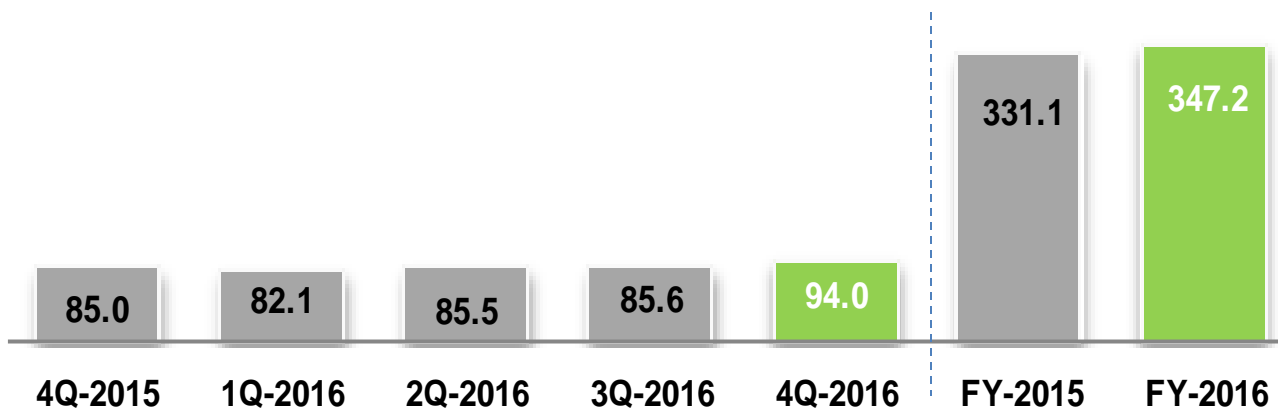
* Numbers may not add up due to rounding.

Voice/Data & Internet

Voice Revenue (S\$M)



Data & Internet Revenue (S\$M)



* Numbers may not add up due to rounding.

FY2016 Highlights

Financial Highlights

Business Highlights

2017 Outlook

FY2017 Outlook

- ❖ **Revenue:** Service revenue to be at about 2016's level
- ❖ **EBITDA:** EBITDA margin on service revenue to be between 26 - 28%
- ❖ **CAPEX:** Cash capex to be about 13% of total revenue
(excludes spectrum payments)
- ❖ **Dividend:** Propose final dividend of 5.0 cents per share for FY2016
Intend to pay a quarterly cash dividend of 4.0 cents per ordinary share for FY2017



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