

### **StarHub Reports 2016 Fourth-Quarter and Full Year Results**

**Singapore, 3 February 2017** – StarHub Ltd today announced its results for the quarter and full year ended 31 December 2016.

For the quarter, total revenue remained stable at S\$634.8 million but for the full year, it was lower by 2% to S\$2.4 billion. The decrease for the year was attributed to the lower revenue from sale of equipment and services. For the quarter, the Group's EBITDA was lower by 14% year-on-year (YoY) at S\$135.7 million; a result of lower profits from operations. This contributed to a 3% decrease for the full year at S\$690.1 million. EBITDA margin as a percentage of service revenue was 23.9% for the quarter and 31.2% for the full year.

In 4Q2016, net profit after tax was at S\$54.0 million and free cash flow was at negative S\$45.4 million. Compared to a year ago, net profit after tax decreased 33% YoY for the quarter and 8% for the full year to S\$341.4 million. Free cash flow was at S\$184.0 million for the full year. Cash capital expenditure (CAPEX) was at S\$126.4 million for the quarter and at S\$366.7 million for the full year.

#### **Business Highlights**

Service revenue for the quarter was 1% YoY higher at S\$567.1 million and marginally lower for the full year at S\$2.2 billion.

**Mobile** revenue decreased slightly for the quarter and 2% for the full year to S\$311.8 million and S\$1.2 billion respectively. Compared to a year ago, post-paid ARPU decreased by S\$2 to S\$70 for the quarter. For the full year, it remained at S\$70. Pre-paid ARPU was lower by S\$2 for both the quarter and full year to S\$15 and S\$16 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 decreased 6% YoY for the quarter and 3% lower for the full year at S\$93.9 million and S\$377.8 million respectively. The decrease was mainly due to a reduced customer base to 498,000 households. For the quarter and full year, Pay TV ARPUs were at S\$51. The average monthly churn was kept low at 0.9% for the quarter and 1.0% for the full year.

**Broadband** revenue increased 4% YoY to S\$54.2 million for the quarter compared to a year ago. Full year revenue was 8% higher at S\$216.8 million. This was driven by the higher mix of customers on fibre and take-up of higher speed cable plans. We saw an S\$2 YoY ARPU increase for the quarter and an S\$3 increase to S\$37 for the full year. Our residential broadband customer base decreased 1% YoY, ending the quarter with 473,000 customers. The average monthly churn for the quarter was at 0.9% and 1.0% for the full year.

**Enterprise Fixed** revenue increased 10% YoY for the quarter and 4% for the full year. For the year, Data & Internet services revenue increased S\$16.1 million to S\$347.2 million from a year ago. The increase was attributed to the higher take up of data & managed services. Voice services revenue decreased S\$1.0 million to S\$52.8 million for the year as a result of lower local voice and IDD usages.

“Despite increased competition, we have registered growth in key areas. Mobile, which accounts for half of our total revenue, showed resiliency as we saw an increase in subscriber base and data revenue. Momentum for our Broadband revenue was maintained and we also witnessed a consistent revenue growth in our Enterprise Fixed business,” said Mr Tan Tong Hai, CEO, StarHub.

“In the New Year, we remain focused on our customer-centric approach to deliver innovative solutions to both our consumer and enterprise customers,” added Mr Tan.

### **Outlook for FY2017**

Based on the current outlook, we expect our Group’s 2017 service revenue to be at about 2016’s level and Group EBITDA margin to be between 26% to 28% of service revenue. In 2017, CAPEX payment is expected to be at about 13% of total revenue, excluding new spectrum payments. We intend to pay a quarterly cash dividend of 4 cents per ordinary share for FY2017.

“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.”

For more details on the Group's performance for 4Q2016 and outlook for FY2017, please visit [www.starhub.com/ir](http://www.starhub.com/ir). Materials available at this website include the audio conference link, investor presentation and audited results for the full year ended 31 December 2016.

-- END --

**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, the MSCI Singapore Free Index, the SGX Sustainability Leaders Index and the SGX Sustainability Leaders Enhanced Index.

**For investor enquiries, please contact:**

Eric LOH  
AVP, Investor Relations  
StarHub  
Office: (65) 6825 5171  
Email: [ericloh@starhub.com](mailto:ericloh@starhub.com)

**For media enquiries, please contact:**

Nicholas TEE  
AM, Corporate Communications  
StarHub  
Office: (65) 6825 5134  
Email: [nicholas.hs.tee@starhub.com](mailto:nicholas.hs.tee@starhub.com)

"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."