



StarHub 1Q-2017 Results

3 May 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



Dr CHONG Yoke Sin
Chief, EBG



1Q2017 Highlights



Financial Highlights



Business Highlights



2017 Outlook

Overview (1Q-2017 vs 1Q-2016)

Financial

- Total revenue stable
- Service revenue decreased 1%
- EBITDA decreased 12%
- EBITDA margin at 29.9%
- NPAT decreased 21%

Operational

- Revenue growth in Broadband & Enterprise Fixed
- Subscriber growth in both pre & post-paid Mobile
- Low churn rate of 0.9% maintained across all businesses

Key Financial Highlights

S\$M	1Q-2017	1Q-2016	Change
Total Revenue	592	591	0%
Service Revenue	537	542	-1%
EBITDA	161	183	-12%
EBITDA Margin	29.9%	33.8%	-3.9%pts
Taxation	(14)	(20)	-28%
Net Profit After Tax	73	93	-21%
Capex Cash Payments	34	42	-19%
% of Capex to Revenue	5.7	7.1	-1.4%pts
FCF / Fully Diluted Shares	6.7¢	5.2¢	30%
Net Debt to TTM EBITDA Ratio	0.88x	0.57x	0.31x

Revenue Contribution

Total Revenue	First Quarter Ending 31 March			
	2017	2016	Incr / (Decr)	Incr / (Decr)
	S\$m	S\$m	S\$m	%
Mobile services	296.2	298.1	(1.9)	(0.6)
Pay TV services	88.4	94.9	(6.5)	(6.8)
Broadband services	53.7	53.5	0.2	0.5
Enterprise Fixed services	98.7	95.8	2.9	2.9
Total Service Revenue	537.0	542.3	(5.3)	(1.0)
Sales of Equipment	55.3	48.6	6.7	13.7
Total Revenue	592.3	590.9	1.4	0.2

Revenue Mix

	First Quarter Ending 31 March	
	2017 % mix	2016 % mix
Total Revenue		
Mobile services	50.0	50.4
Pay TV services	14.9	16.1
Broadband services	9.1	9.1
Enterprise Fixed services	16.7	16.2
Total Service Revenue	90.7	91.8
Sales of Equipment	9.3	8.2
Total Revenue	100.0	100.0

• Numbers may not add up due to rounding



1Q2017 Highlights



Financial Highlights



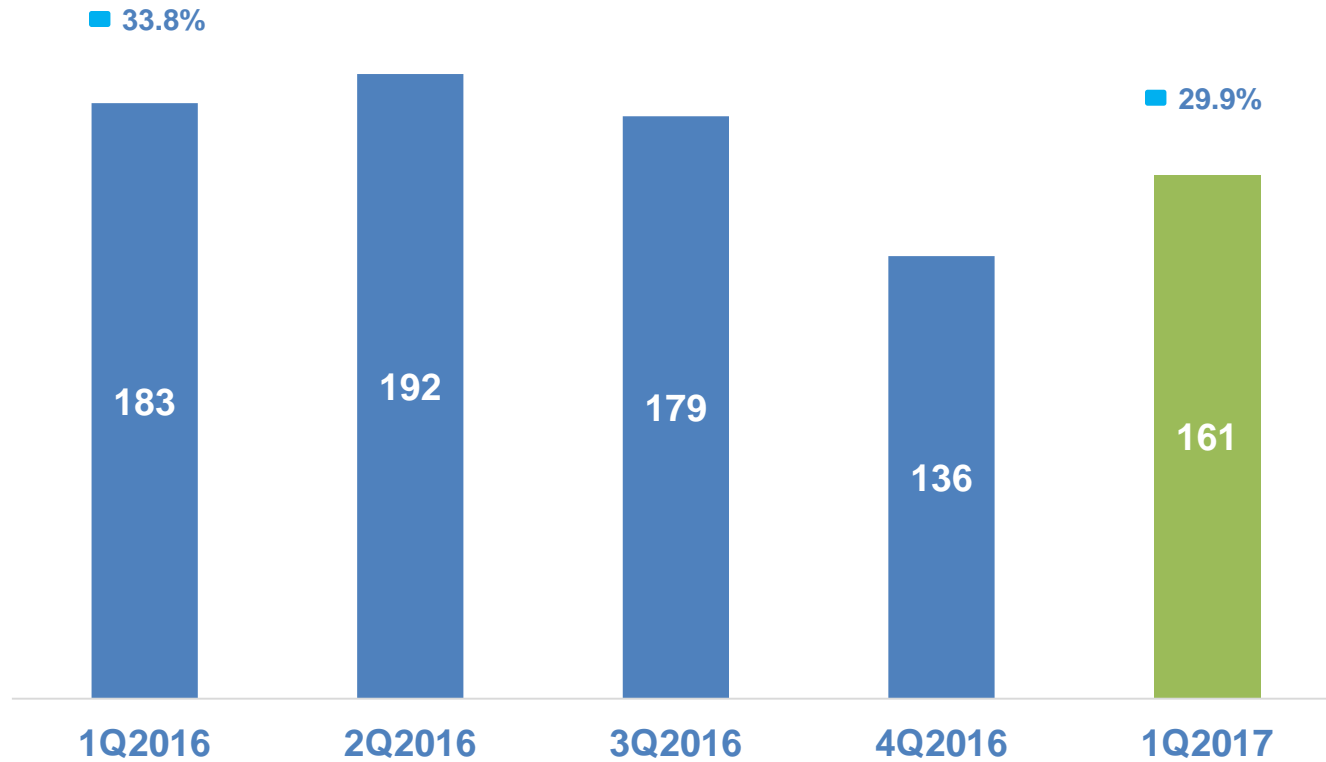
Business Highlights



2017 Outlook

EBITDA & EBITDA Margin

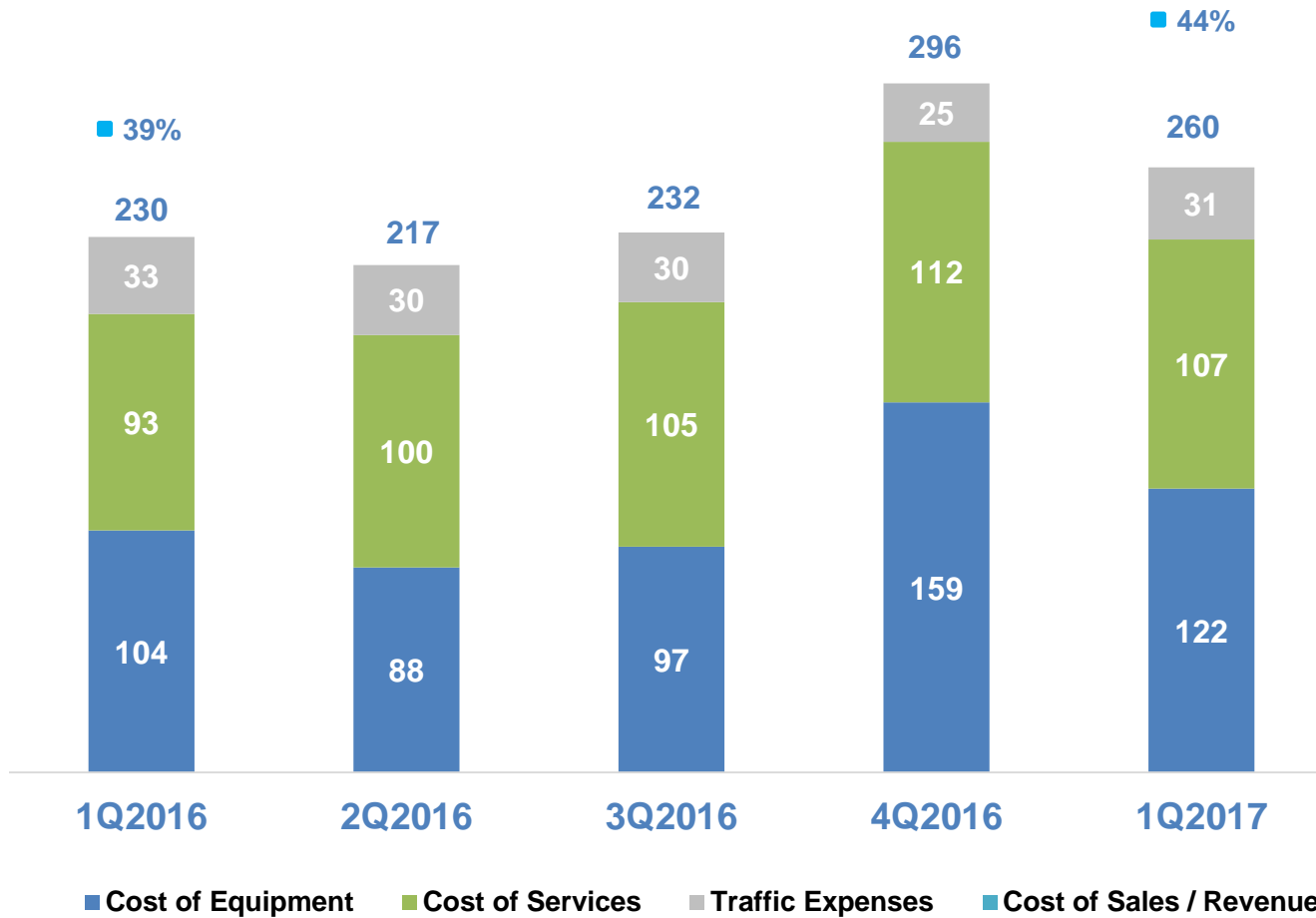
(S\$M)



■ EBITDA Margin as % of Service Revenue

Cost Of Sales

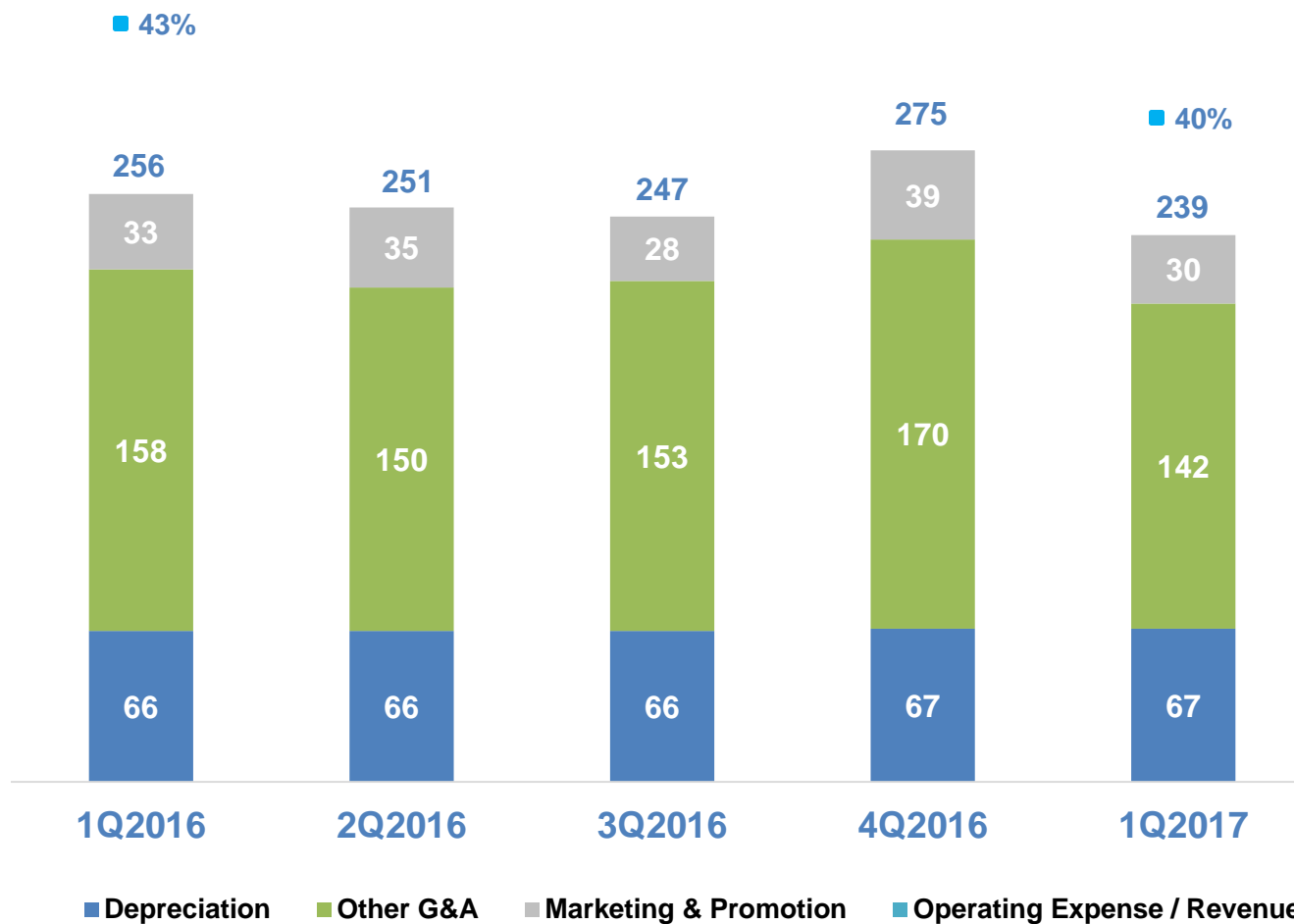
(S\$M)



* Numbers may not add up due to rounding.

Other Operating Expenses

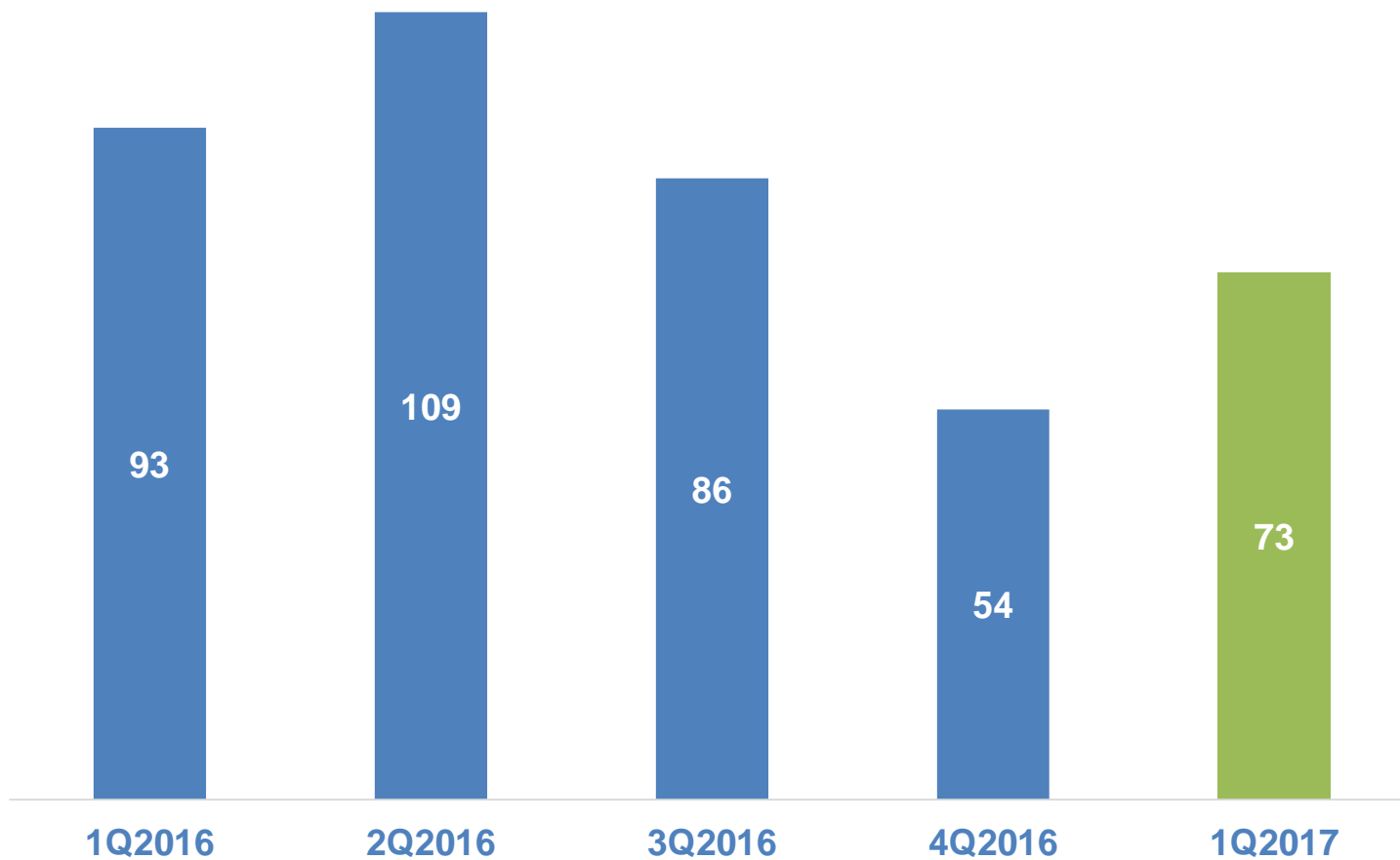
(S\$M)



* Numbers may not add up due to rounding.

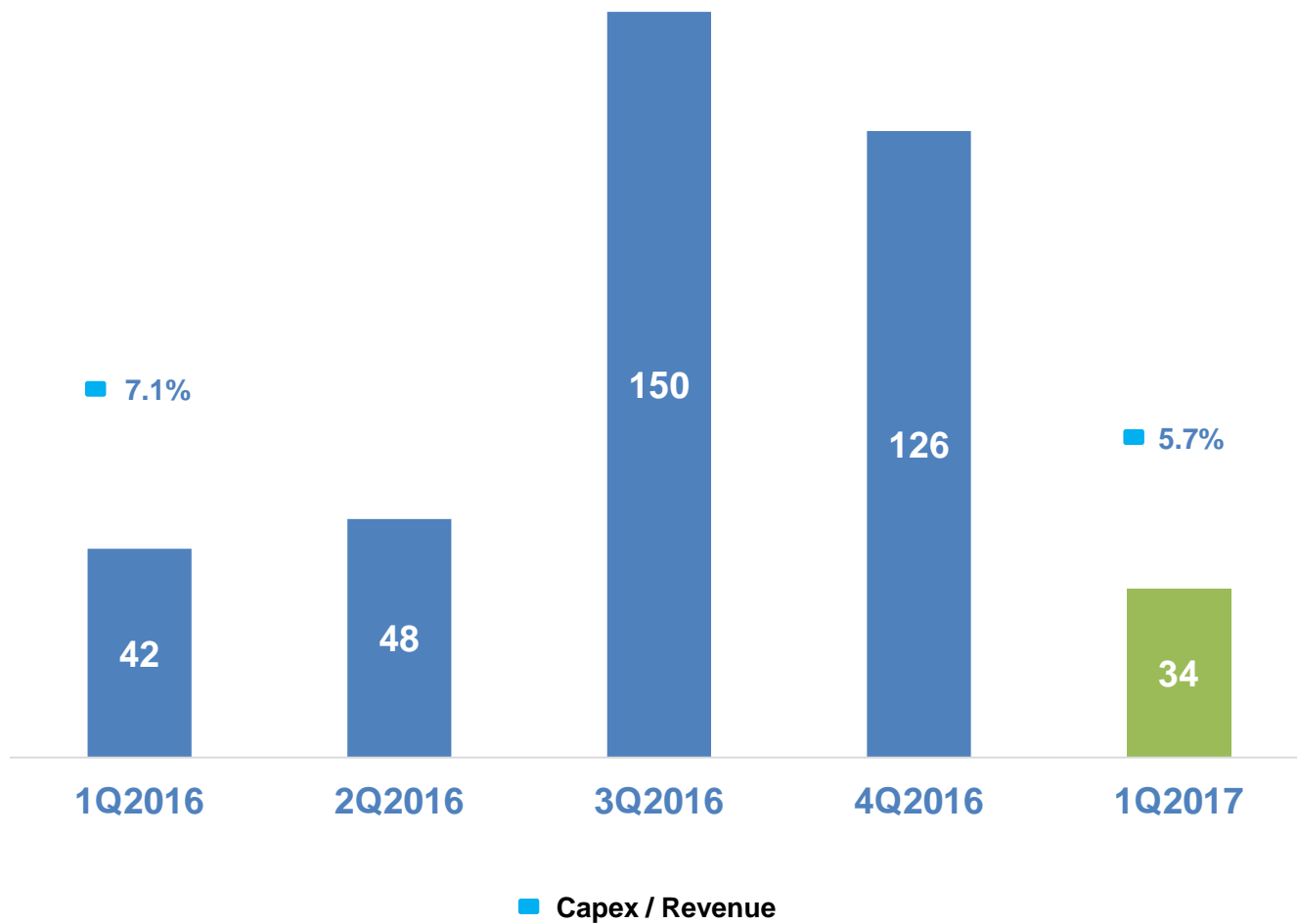
Net Profit After Tax

(S\$M)



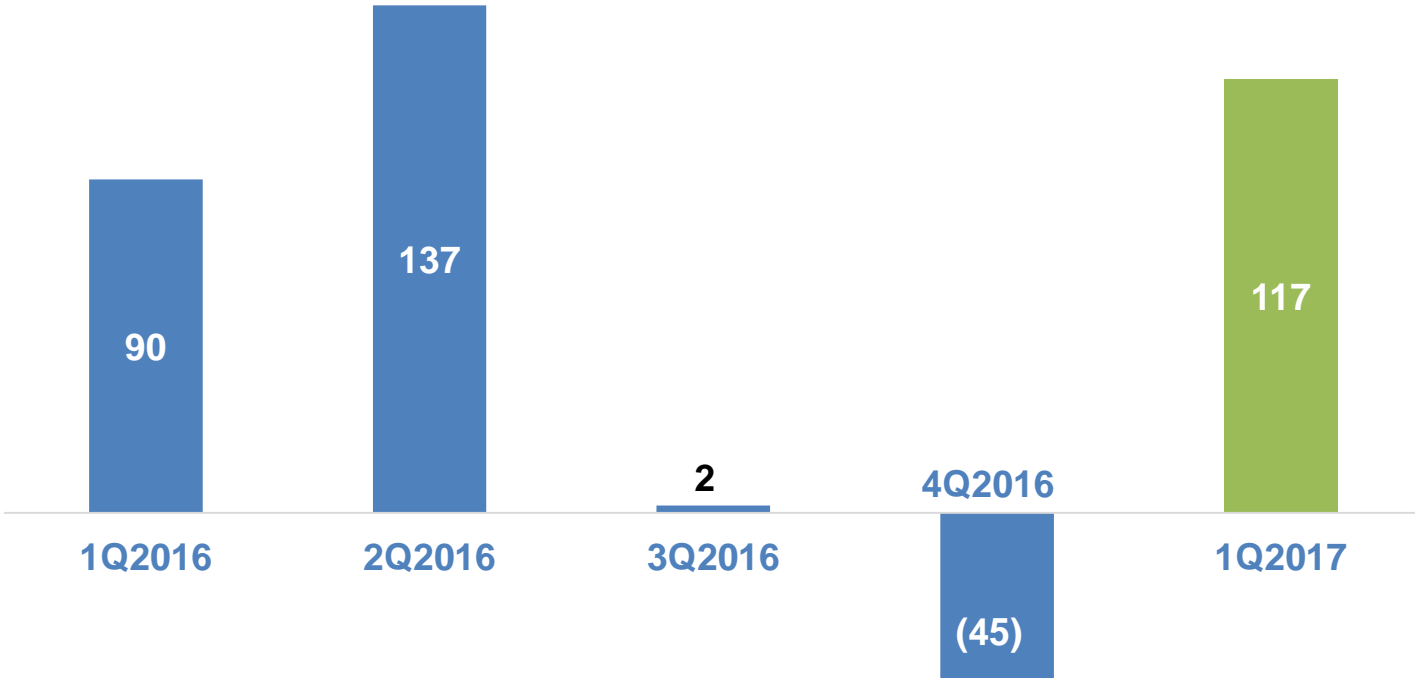
Capex (cash payments)

(S\$M)



Free Cash Flow

(S\$M)





1Q2017 Highlights



Financial Highlights



Business Highlights - Mobile



2017 Outlook

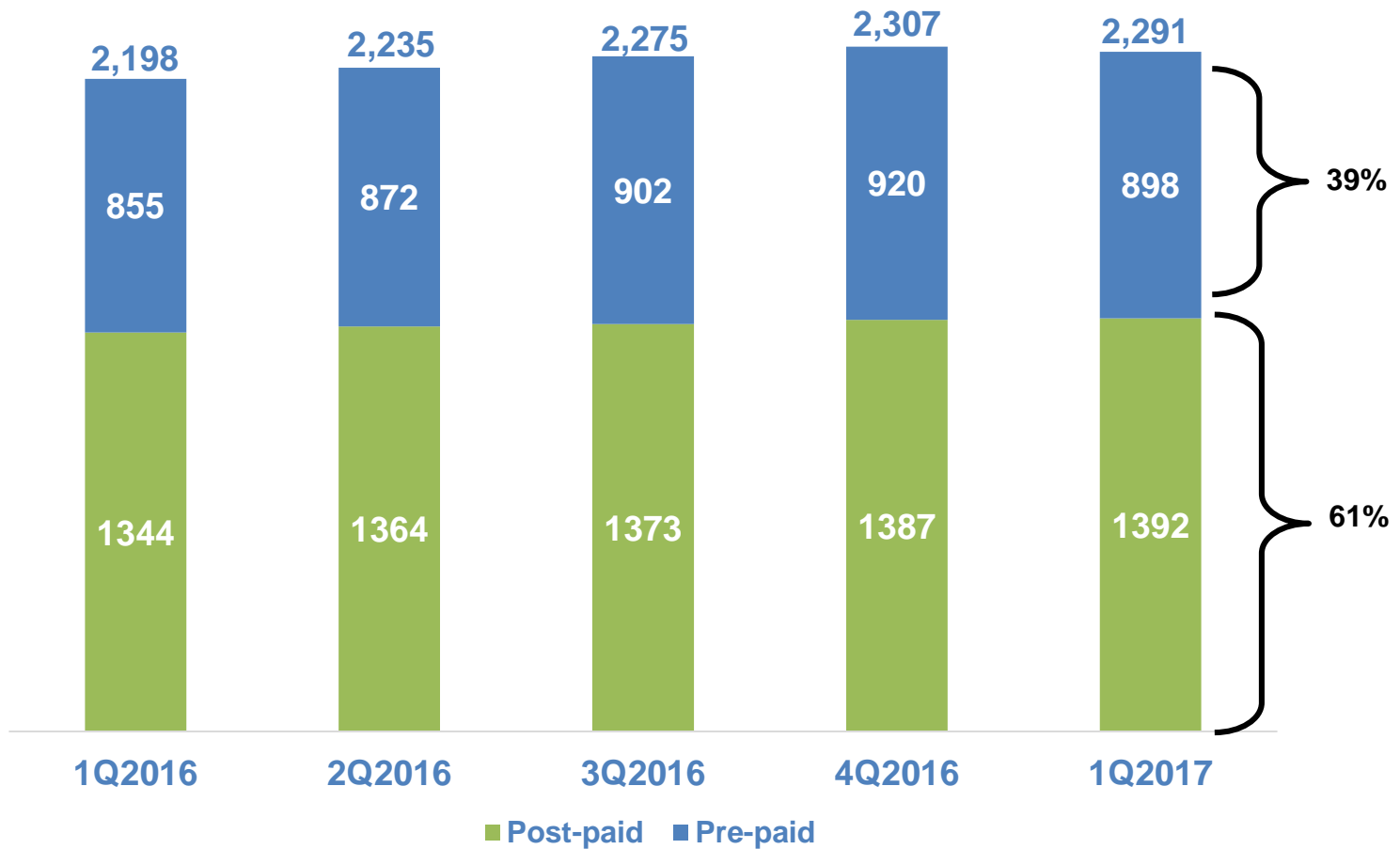
➤ Mobile (1Q-2017 vs 1Q-2016)

- Total customer base expanded 93k
- Post-paid ARPU decreased S\$2 to S\$67



Mobile Customer Base

(‘000)

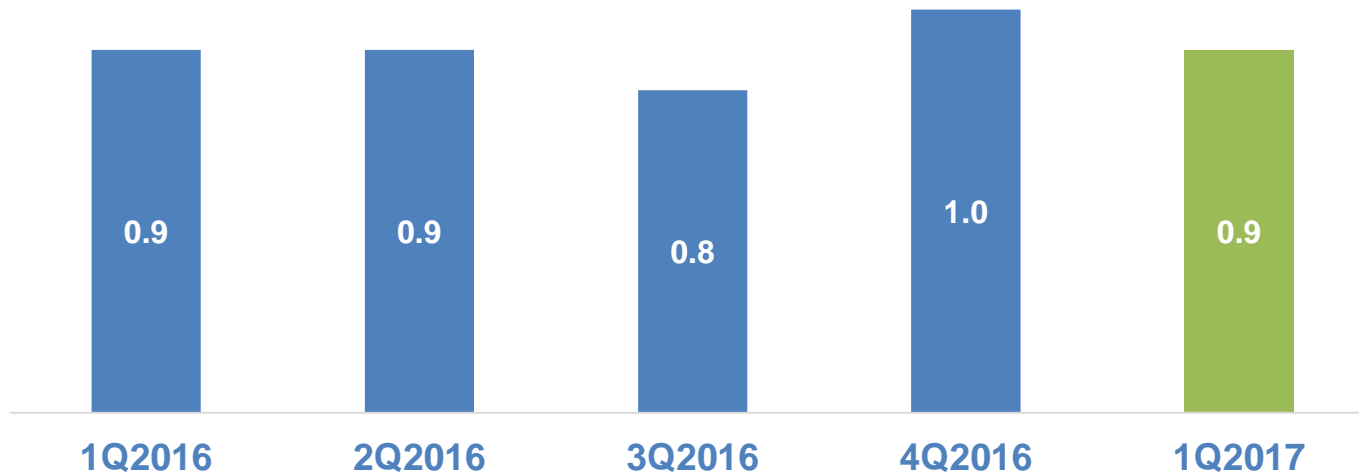


* Numbers may not add up due to rounding.



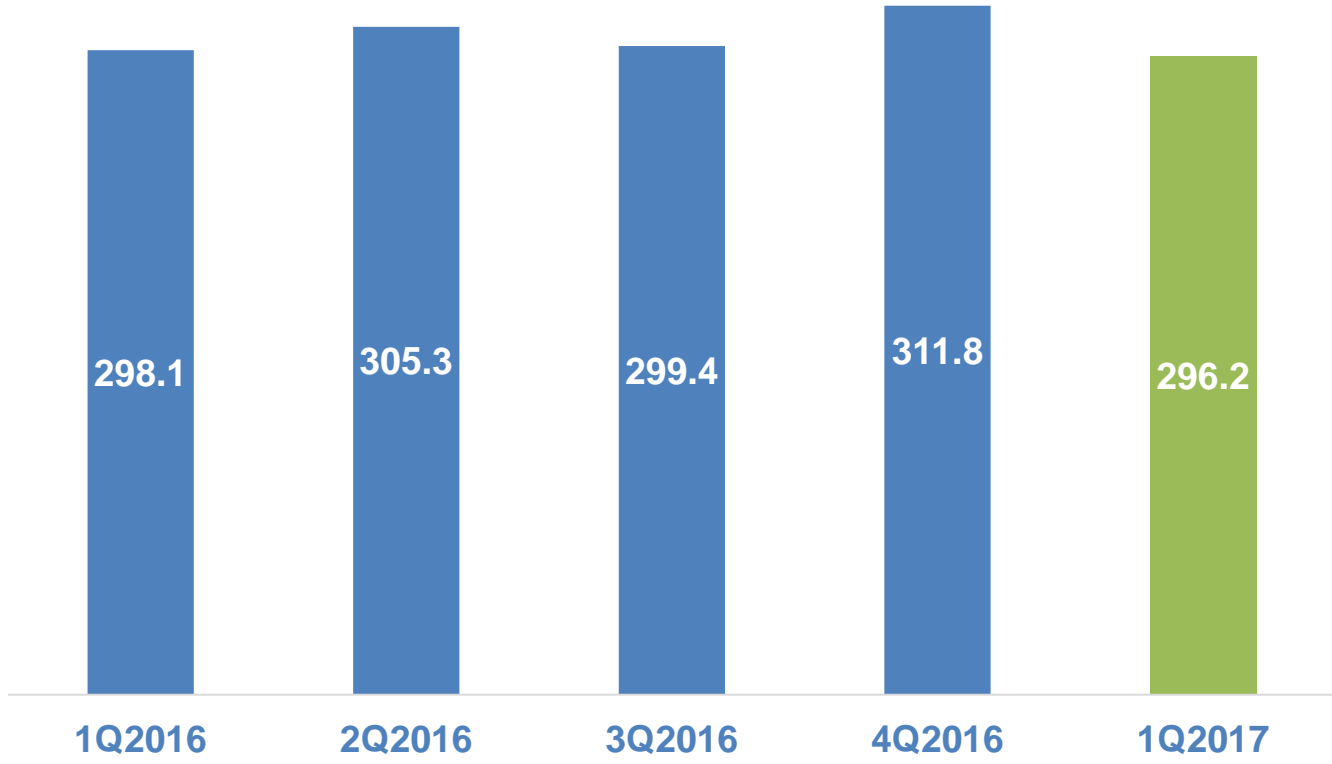
Post-paid Average Monthly Churn Rate

(%)



Mobile Revenue

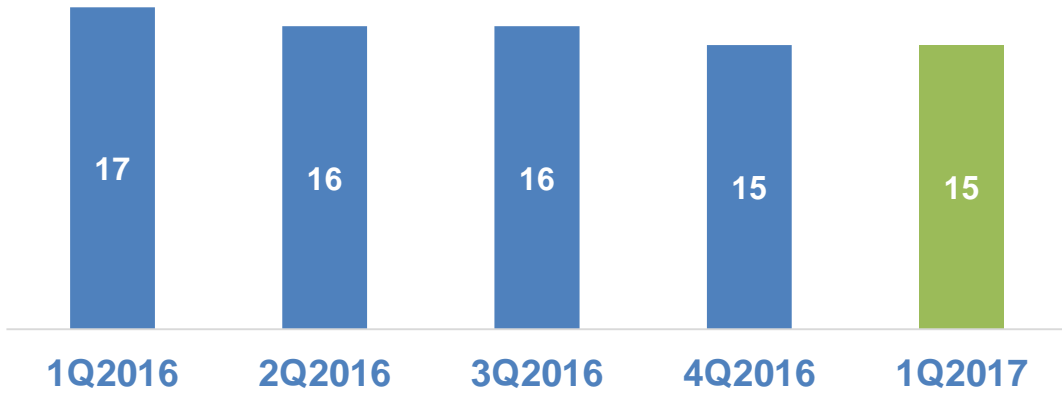
(S\$M)



Mobile ARPU

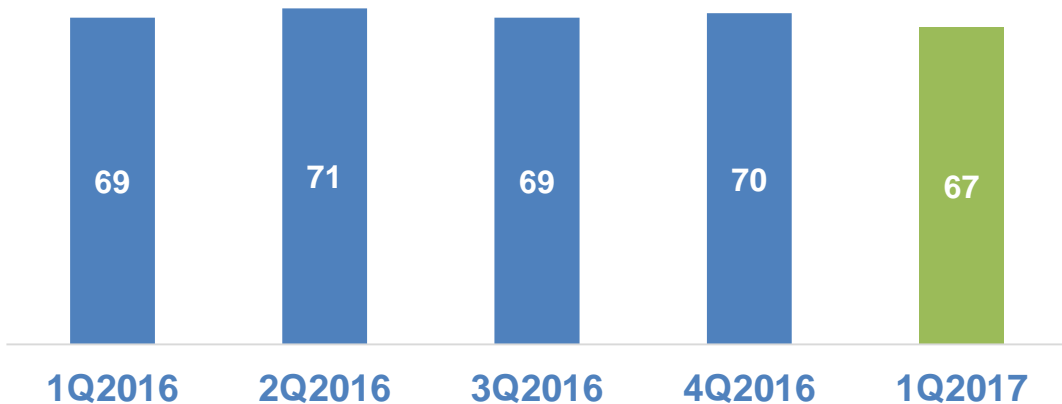
(S\$ per month)

Pre-paid



(S\$ per month)

Post-paid





1Q2017 Highlights



Financial Highlights



Business Highlights – Pay TV



2017 Outlook

Pay TV (1Q-2017 vs 1Q-2016)

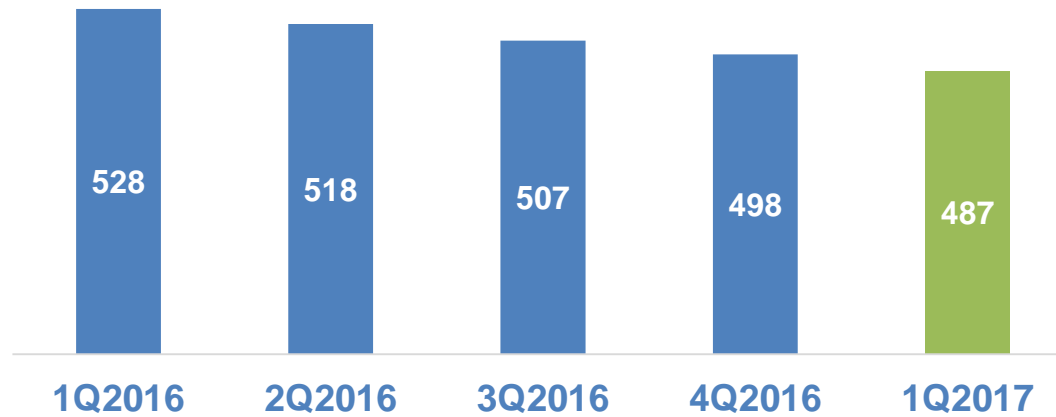
- ❖ Revenue decreased 7%
- ❖ ARPU at S\$51
- ❖ Customer base decreased 41k



Pay TV Base & Churn

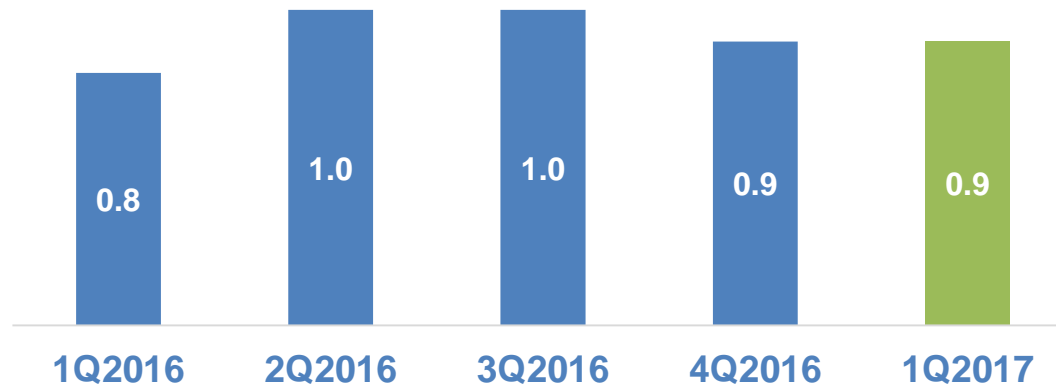
(‘000)

Customers



Average Monthly Churn Rate

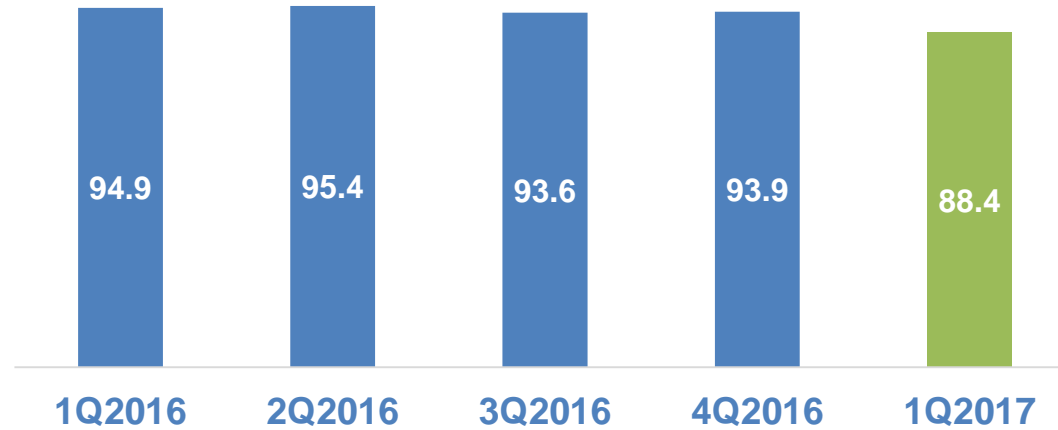
(%)



Pay TV Revenue & ARPU

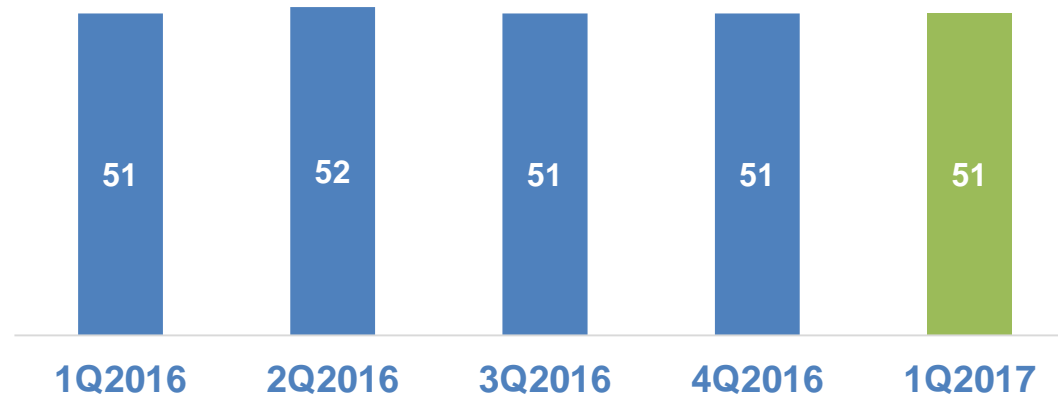
(S\$M)

Revenue



(S\$ per month)

ARPU





1Q2017 Highlights



Financial Highlights



Business Highlights - Broadband



2017 Outlook

Broadband (1Q-2017 vs 1Q-2016)

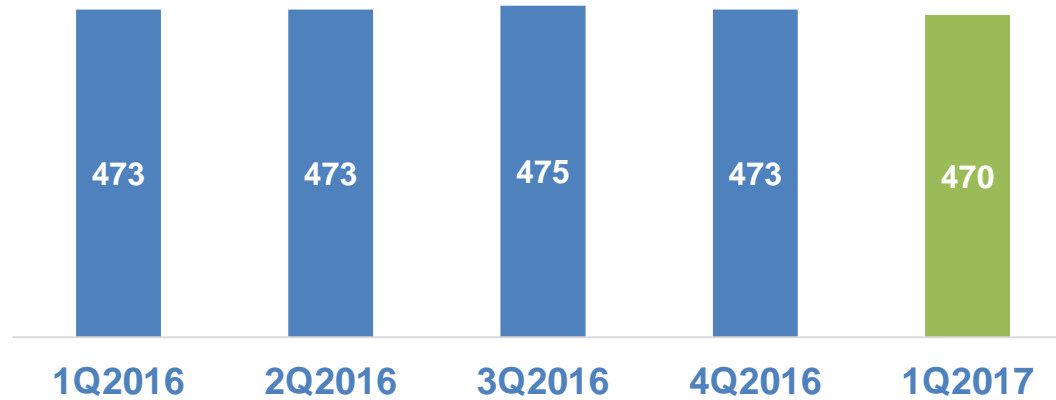
- ❖ Revenue stable
- ❖ ARPU increased by S\$1 to S\$37
- ❖ Customer base decreased by 3k



Broadband Base & Churn

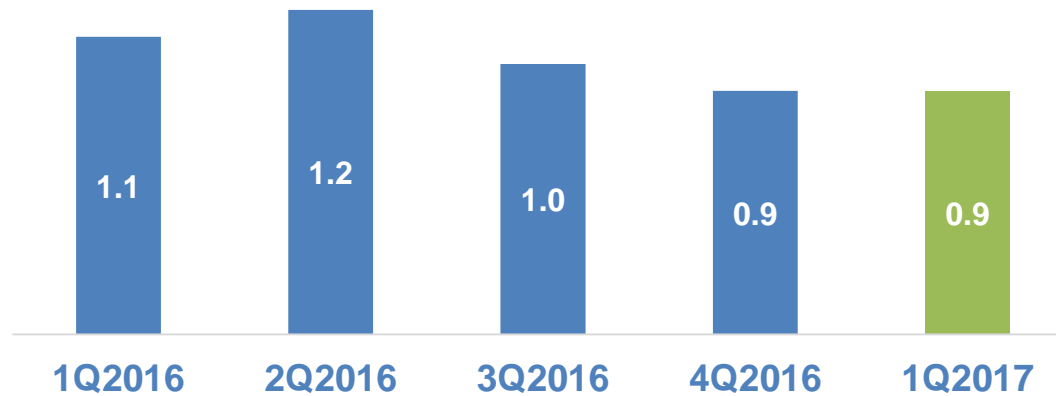
(‘000)

Customers



Average Monthly Churn Rate

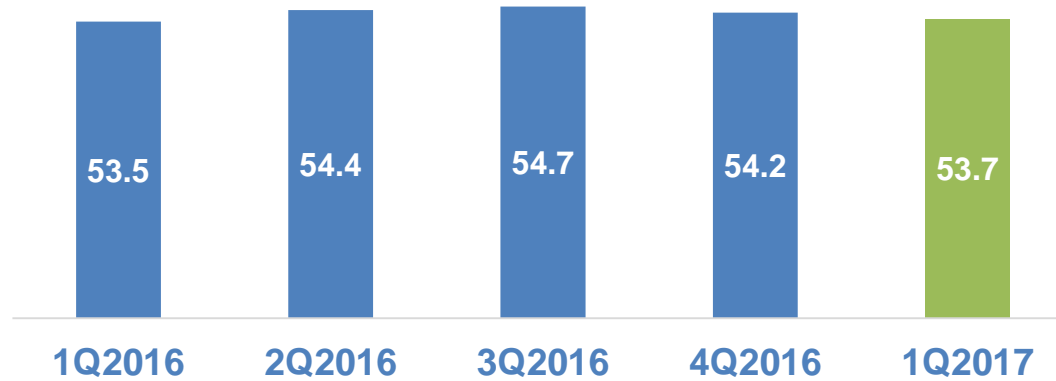
(%)



Broadband Revenue & ARPU

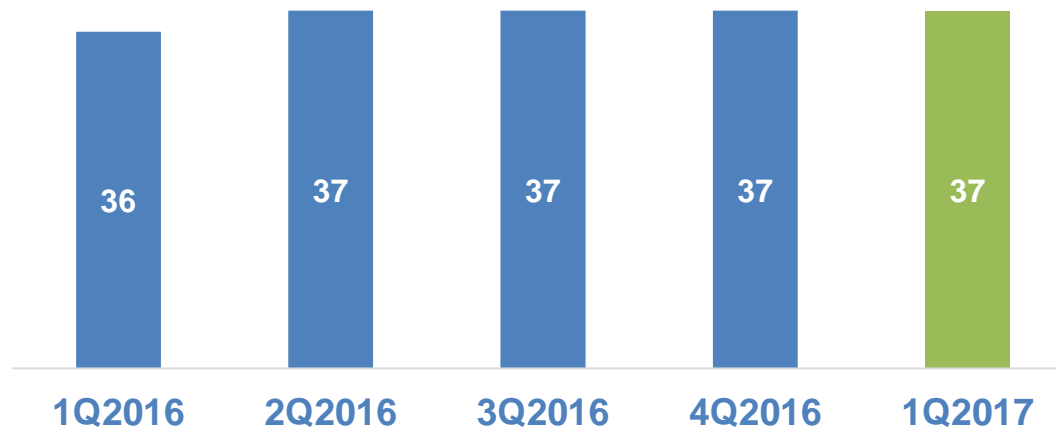
(S\$M)

Revenue



(S\$ per month)

ARPU





1Q2017 Highlights



Financial Highlights



Business Highlights – Enterprise Fixed



2017 Outlook

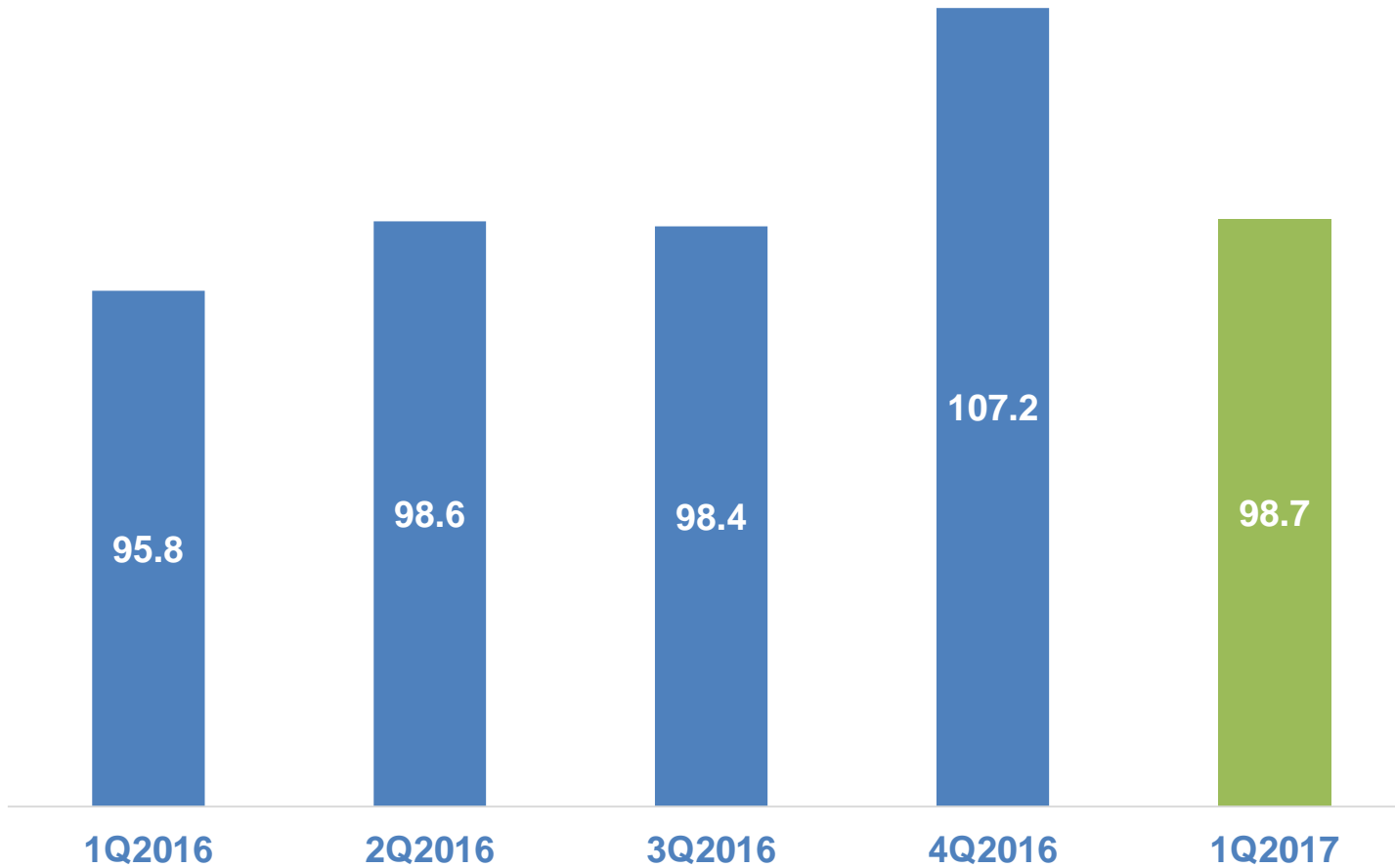
Enterprise Fixed (1Q-2017 vs 1Q-2016)

- Data & Internet revenue increased 7%
- Voice revenue decreased 19%



Enterprise Fixed Revenue

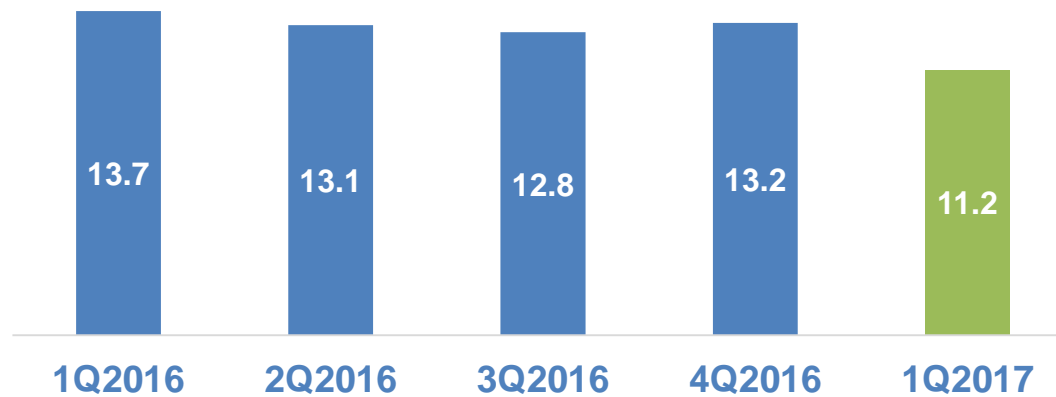
(S\$M)



Voice/Data & Internet Revenue

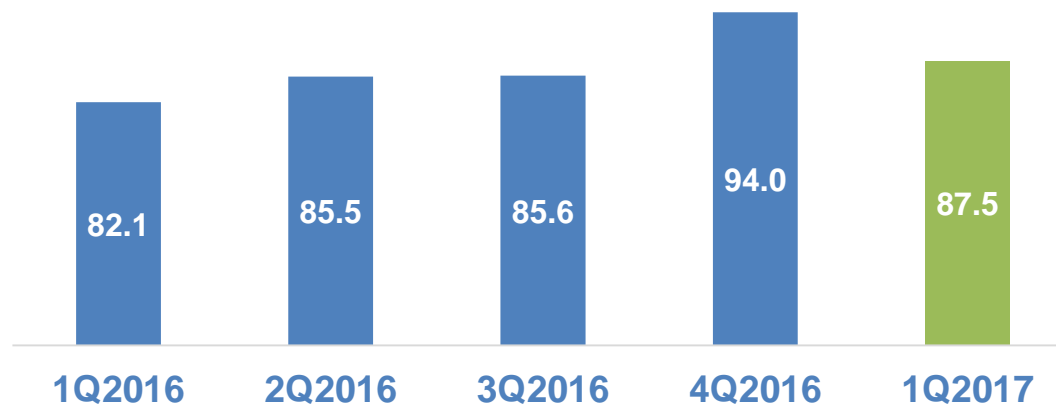
(S\$M)

Voice



(S\$M)

Data & Internet





1Q2017 Highlights



Financial Highlights



Business Highlights



2017 Outlook

FY2017 Outlook

- **Revenue:** Maintain service revenue to be at about 2016's level
- **EBITDA:** Maintain EBITDA margin on service revenue to be between 26 - 28%
- **CAPEX:** Maintain cash capex to be about 13% of total revenue (excludes spectrum payments)
- **Dividend:** Declare an interim quarterly dividend of 4.0 cents per ordinary share for 1Q2017

Intend to pay a quarterly cash dividend of 4.0 cents per ordinary share for FY2017

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