



StarHub 2Q & 1H-2010 Results

5 August 2010

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TAN Tong Hai
COO



Neil MONTEFIORE
CEO



KWEK Buck Chye
CFO

Overview (2Q-2010 vs 2Q-2009)

➤ Financial:

- Operating revenue increased 7%
- Service revenue rose 6%
- EBITDA margin improved 3.4% pts QoQ to 25.9%








➤ Operational:

- Mobile growth:
 - ✓ Post-paid revenue (10%)
 - ✓ Total customer base (11%)
 - ✓ Low churn (1.1%)
 - ✓ Smartphones-led acquisition & retention cost continues
- Pay TV business stable

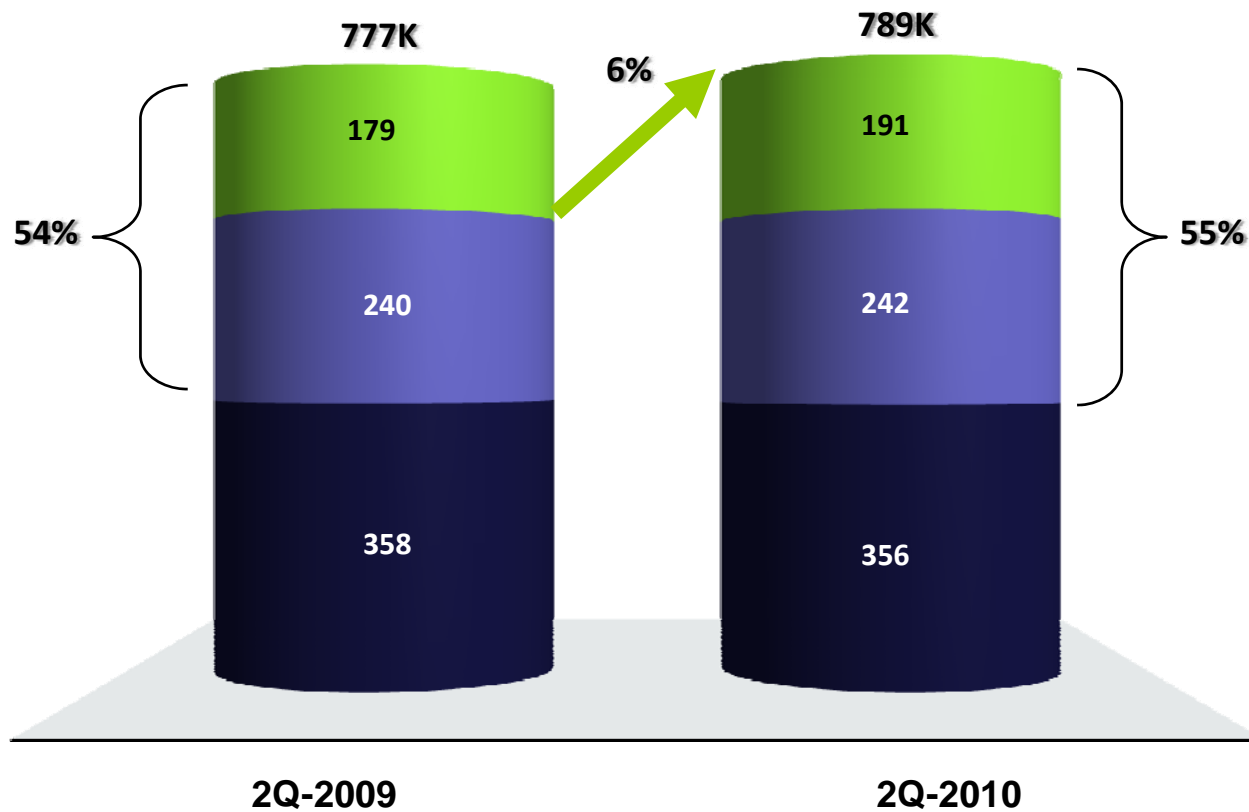
Key Financial Highlights

S\$ million	2Q-2010	2Q-2009	Change	1H-2010	1H-2009	Change
Operating Revenue	569	532	7%	1,126	1,063	6%
Service Revenue	544	513	6%	1,072	1,021	5%
EBITDA	141	161	-12%	260	329	-21%
EBITDA Margin	25.9%	31.5%	-5.5% pts	24.2%	32.2%	-8.0% pts
Taxation	(13)	(17)	20%	(23)	(36)	35%
Net Profit After Tax	58	78	-25%	101	160	-37%
Capex Cash Payments	45	70	36%	93	121	23%
% of Capex to Revenue	8	13	5% pts	8	11	3% pts
FCF / Fully Diluted Share	6.37¢	8.62¢	-26%	13.33¢	15.32¢	-13%
Net Debt to annualised EBITDA ratio	1.13x	1.04x	-0.09x	1.13x	1.04x	-0.09x

Business Expansion (2Q-2010 vs 2Q-2009)

Line of Business	Service Revenue	Customer Base
Mobile (52% of revenue mix)	 8% Pre-paid (1%) Post-paid (10%)	 11% Pre-paid (13%) Post-paid (9%)
Pay TV (19% of revenue mix)	 9%	 2%
Cable Broadband (10% of revenue mix)	 (2)%	 5%
Fixed Network Services (14% of revenue mix)	 2% Data & Internet (1%) Voice (8%)	

Expanding Hubbing Households ('000)



Single Service HH



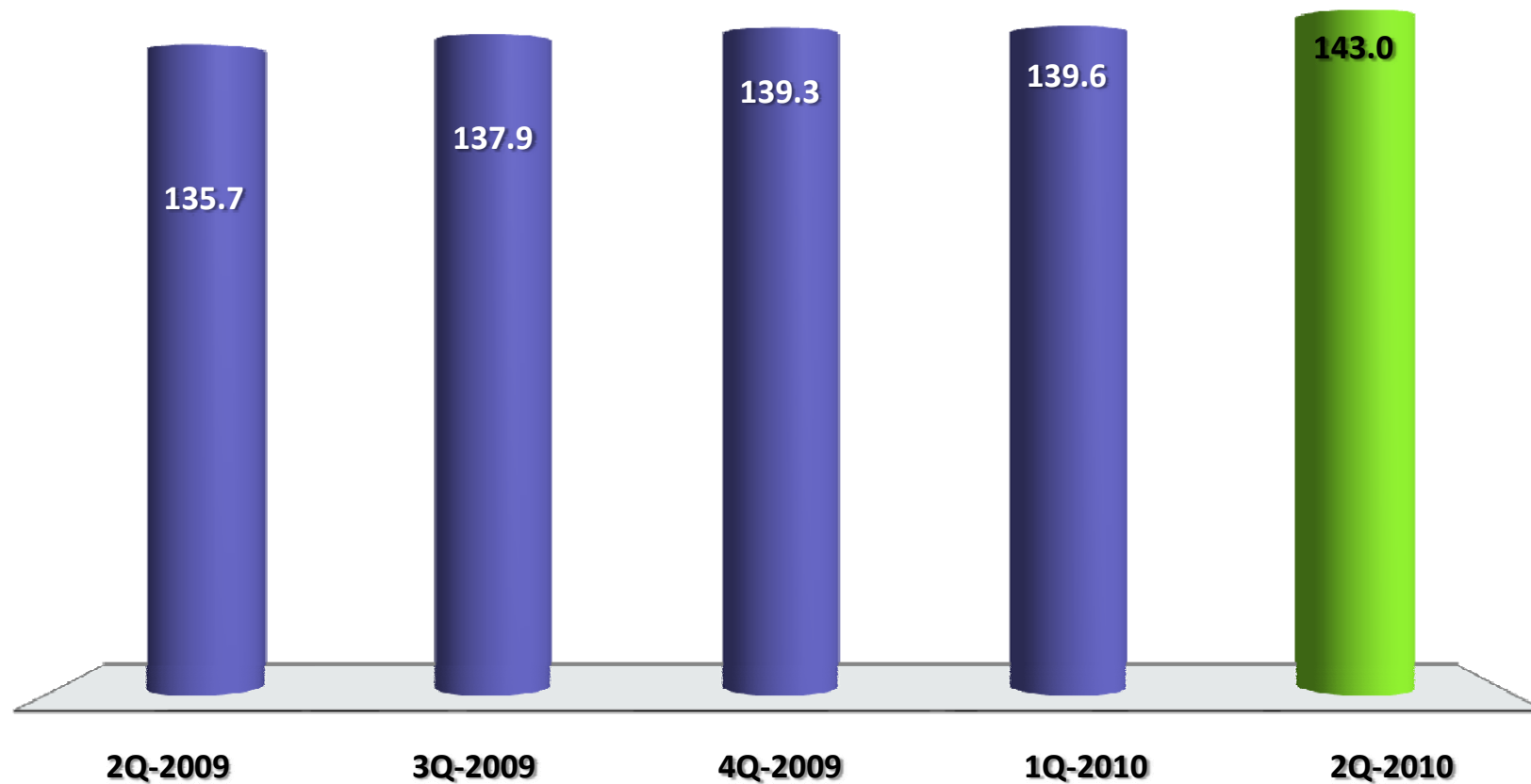
Double Service HH



Triple Service HH



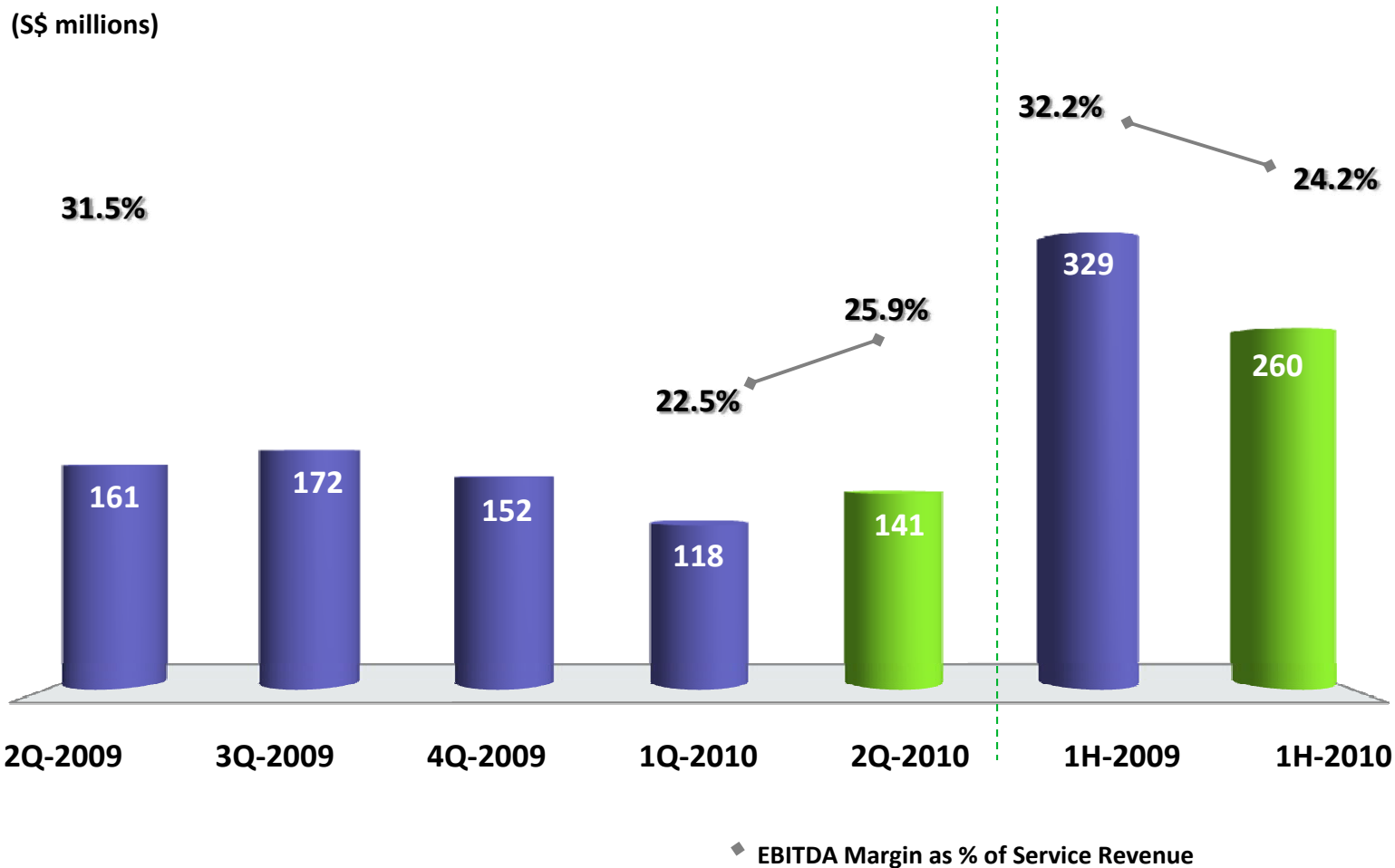
ARPU (S\$)



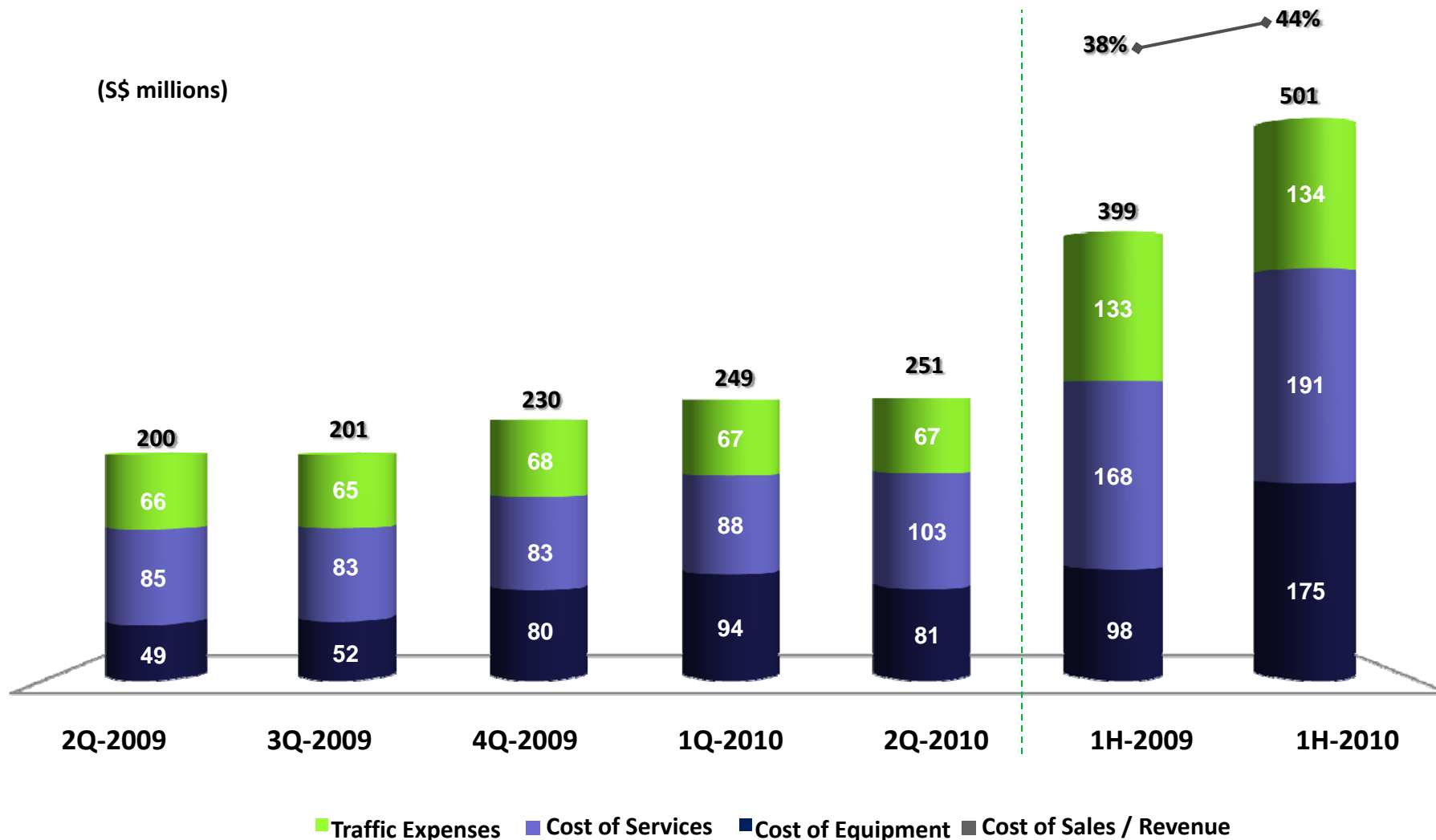


Financial Overview

EBITDA & EBITDA Margin



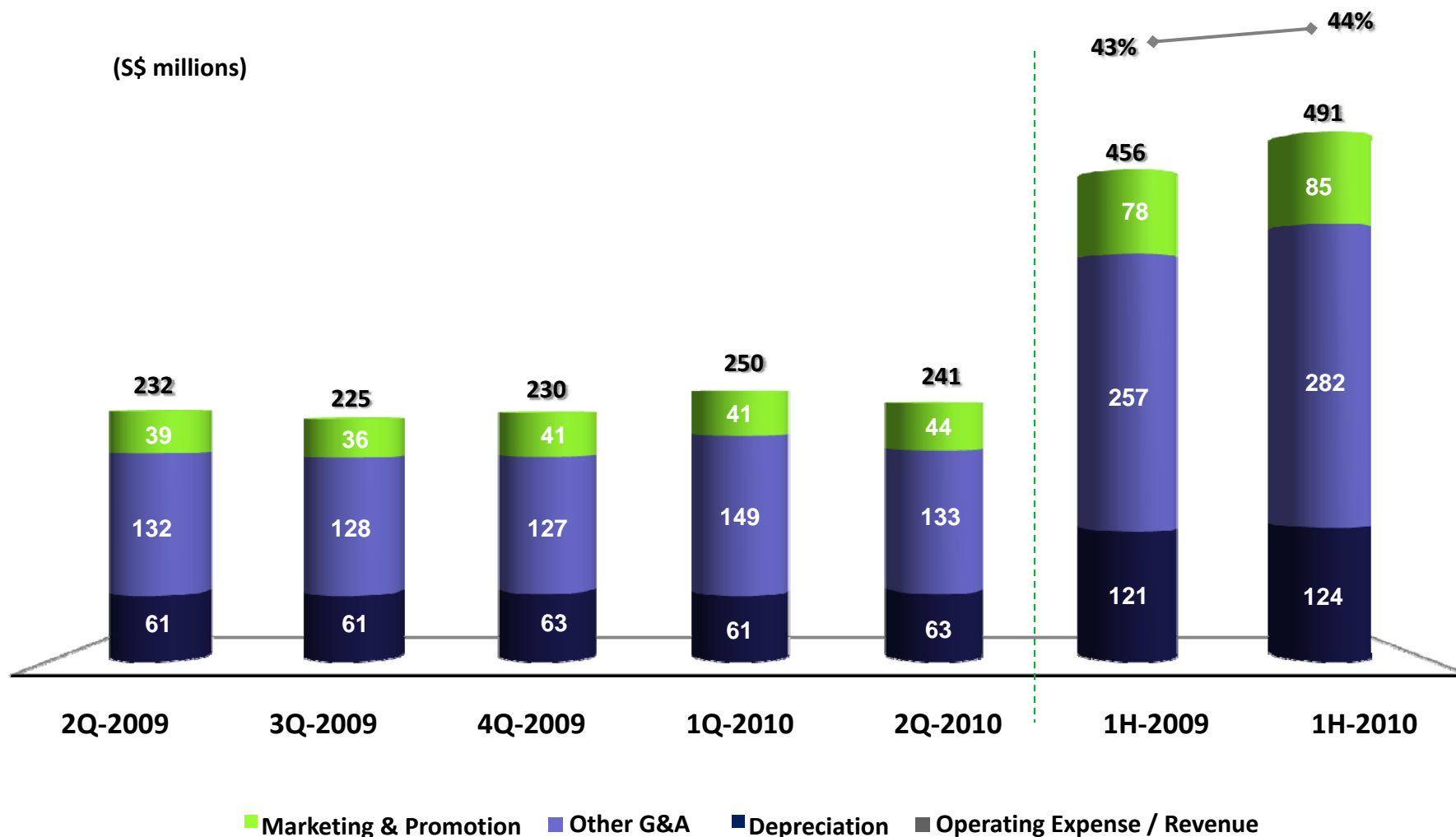
Cost Of Sales



Note: Numbers may not add up due to rounding.

Other Operating Expenses

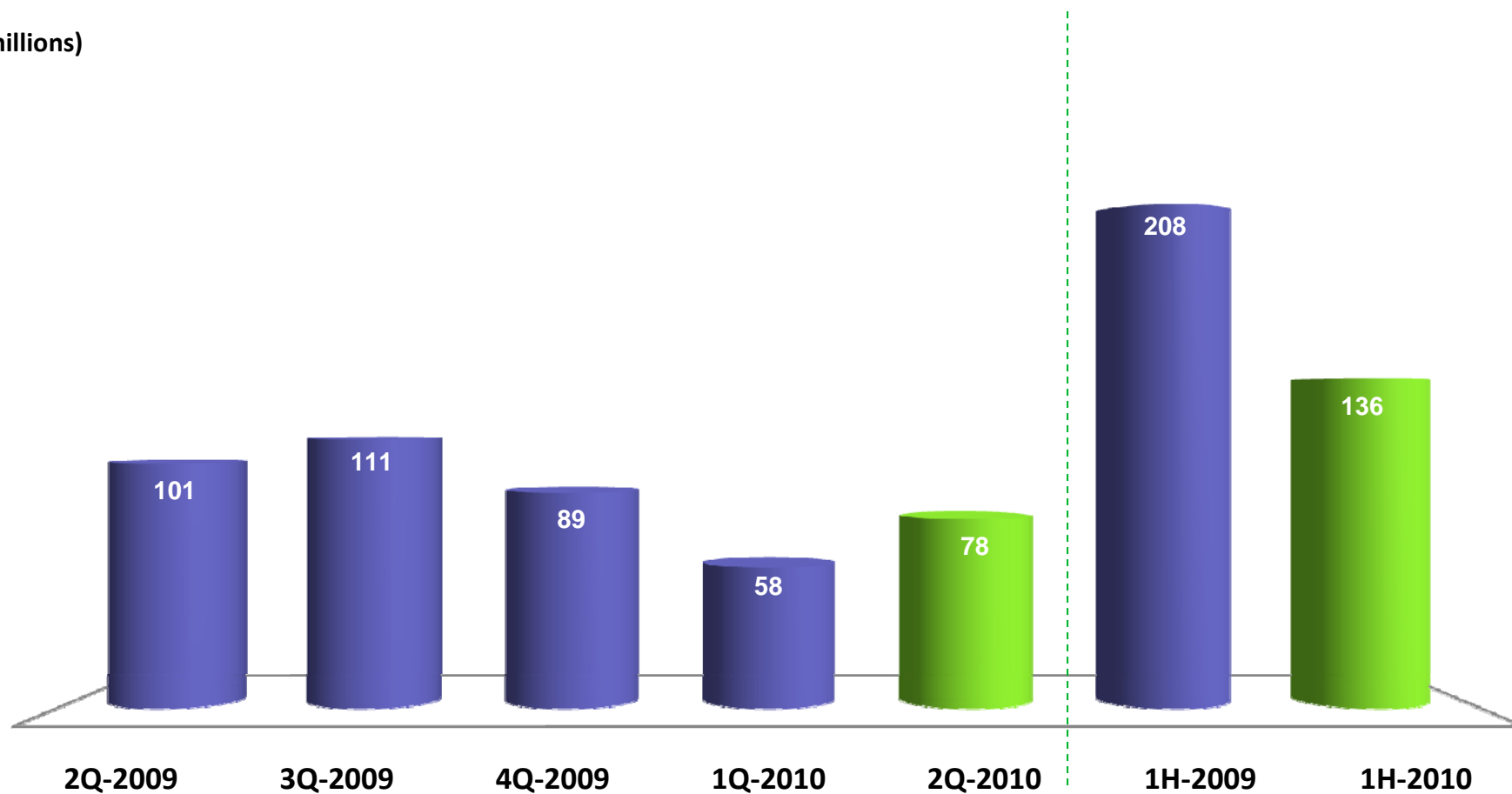
(S\$ millions)



Note: Numbers may not add up due to rounding.

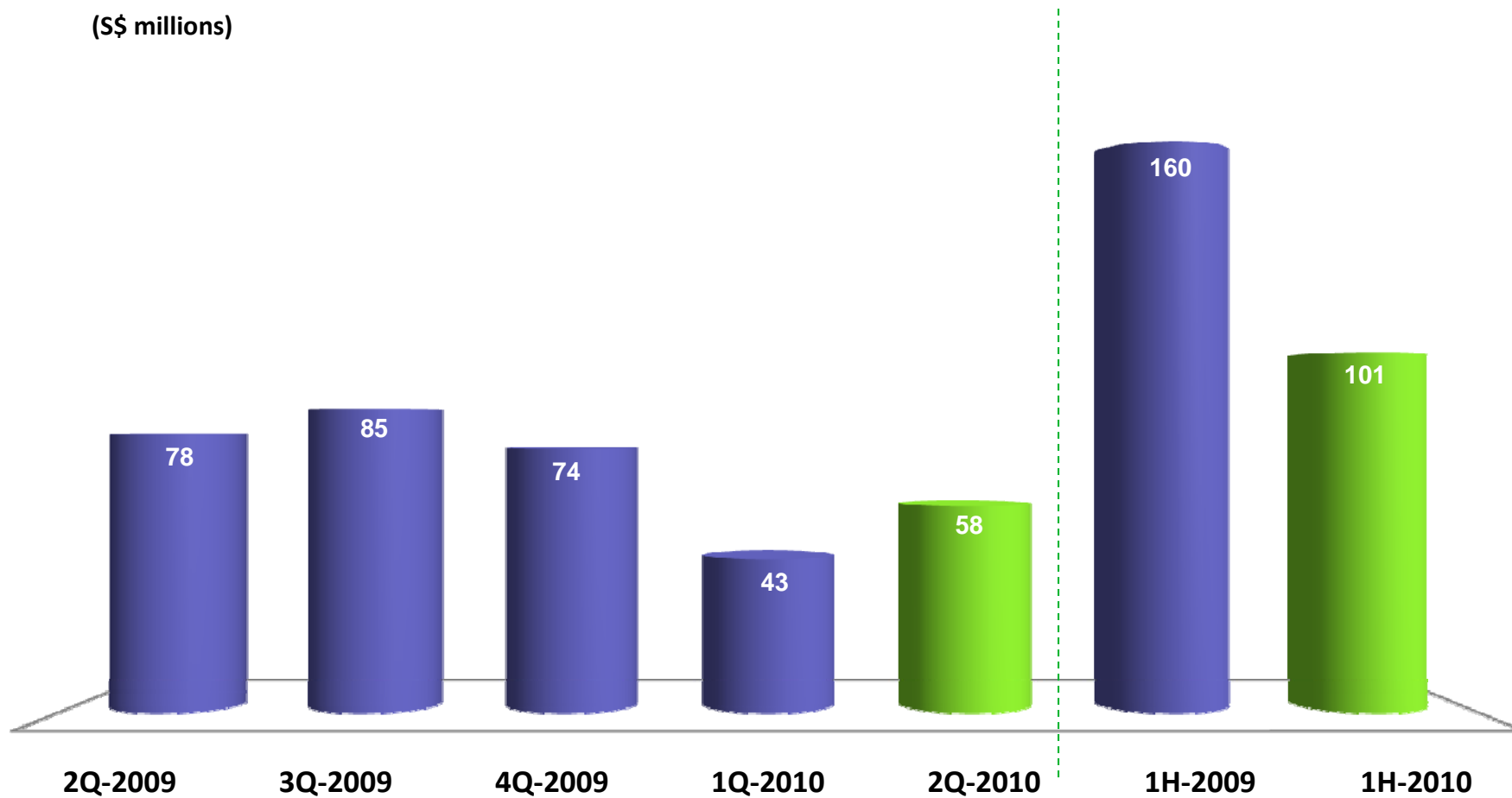
Profit From Operations

(S\$ millions)



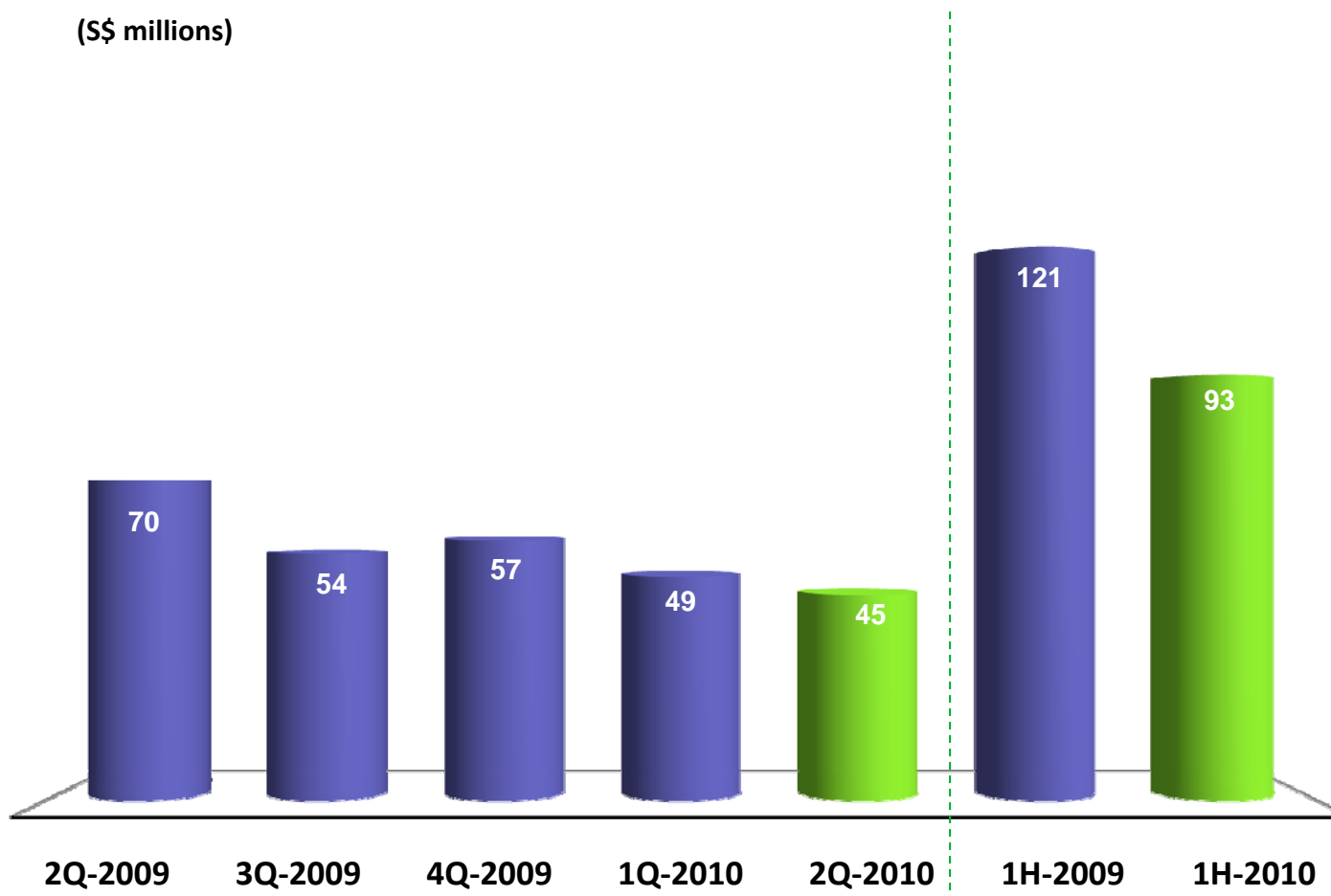
Net Profit After Tax

(S\$ millions)



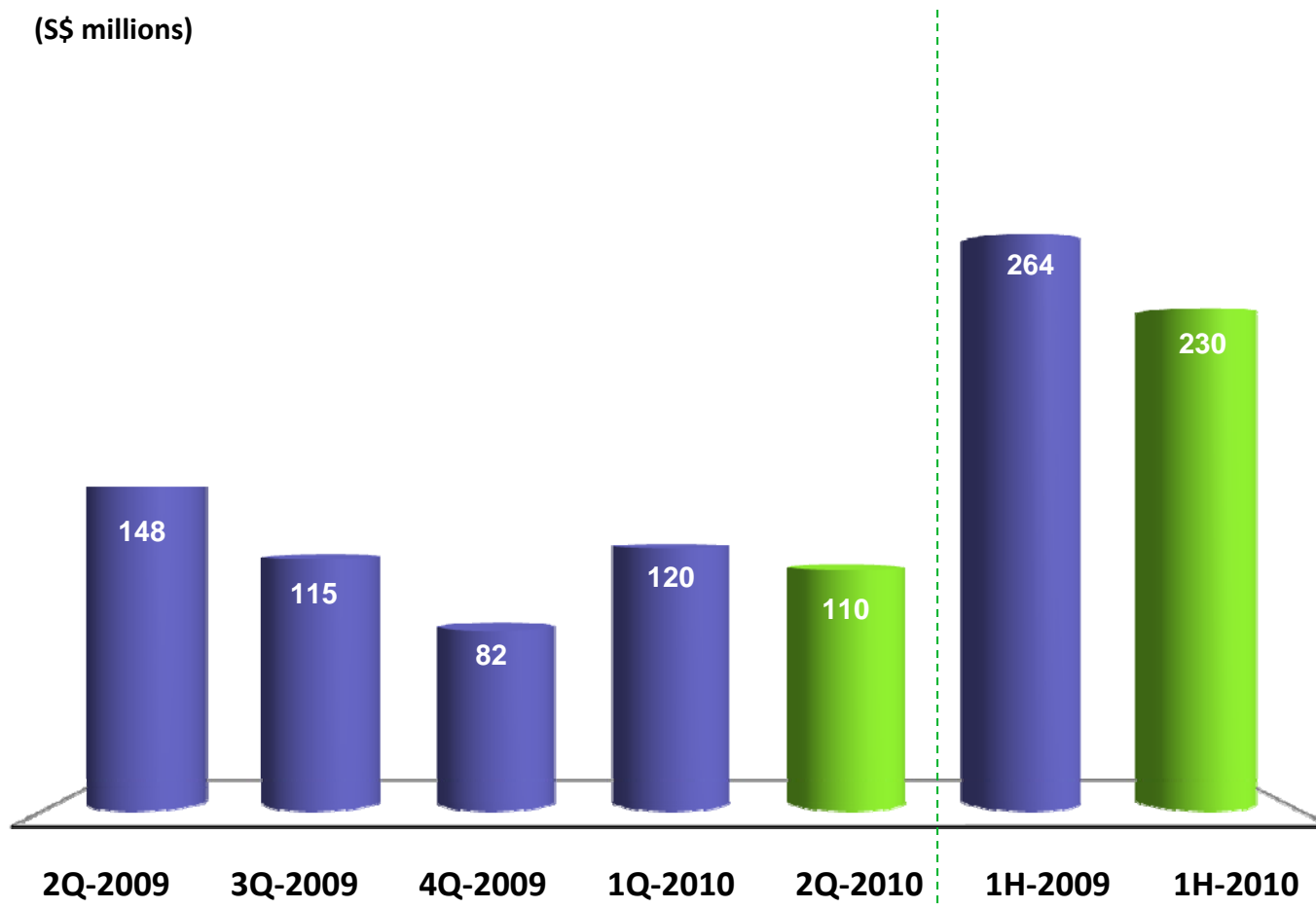
Capex (cash payments)

(S\$ millions)



Note: Numbers may not add up due to rounding.

(S\$ millions)



Mobile

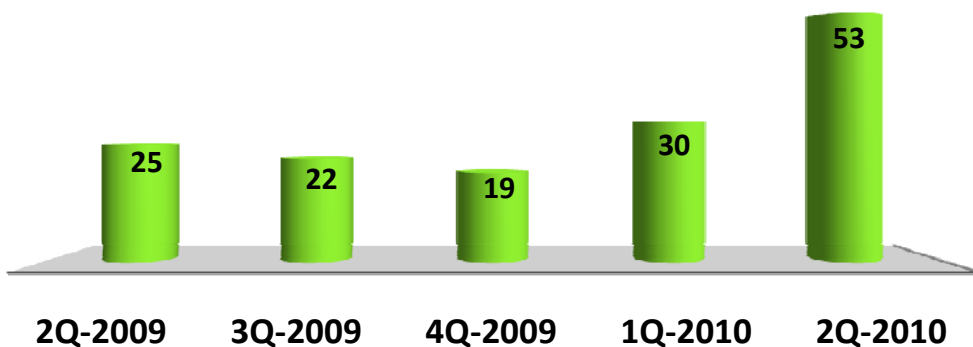


Mobile (2Q-2010 vs 2Q-2009)

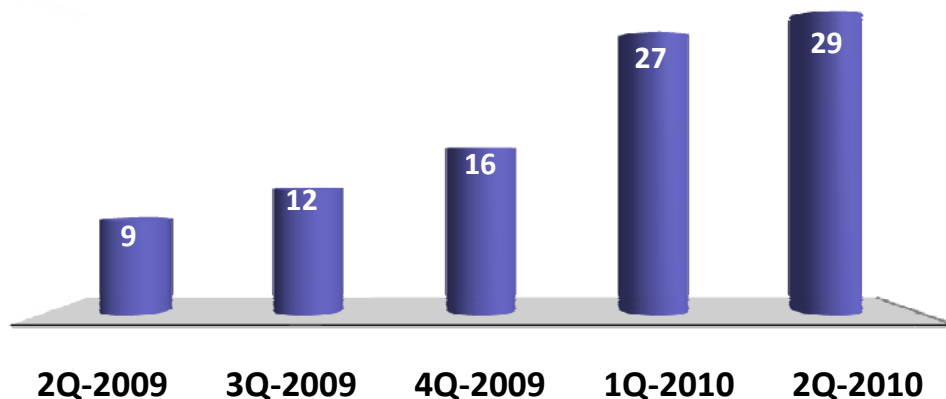
- Added 207k customers
- Pre-paid customer base expanded 13%
- Post-paid ARPU increased \$1 to \$70

Mobile Net Adds

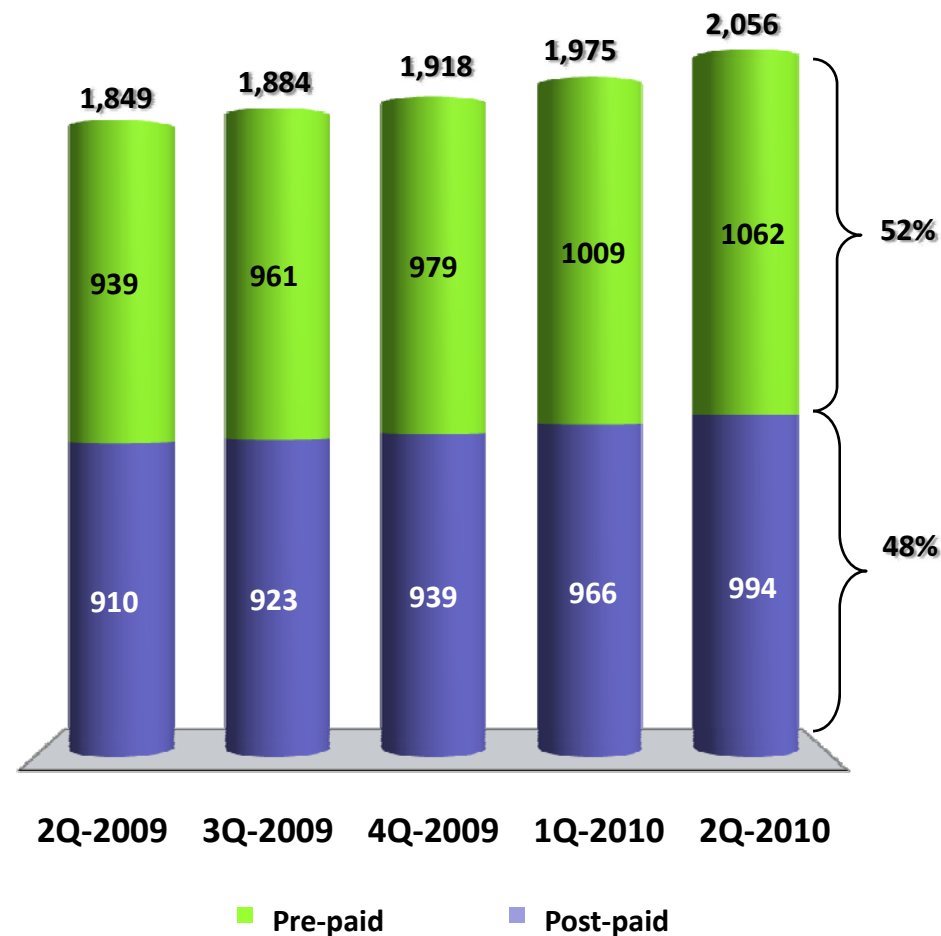
Pre-paid Net Adds ('000)



Post-paid Net Adds ('000)

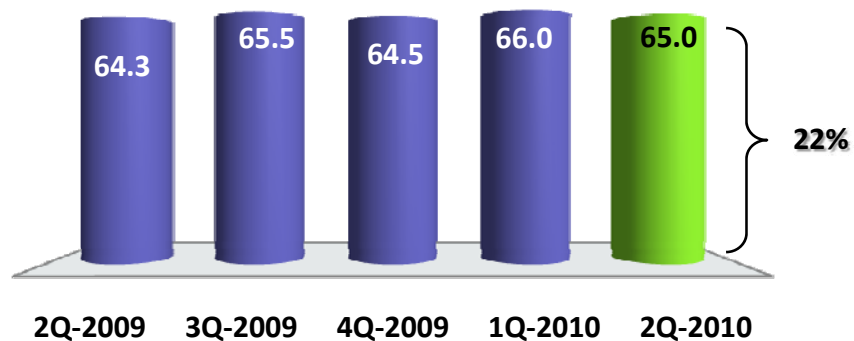


Customers ('000)

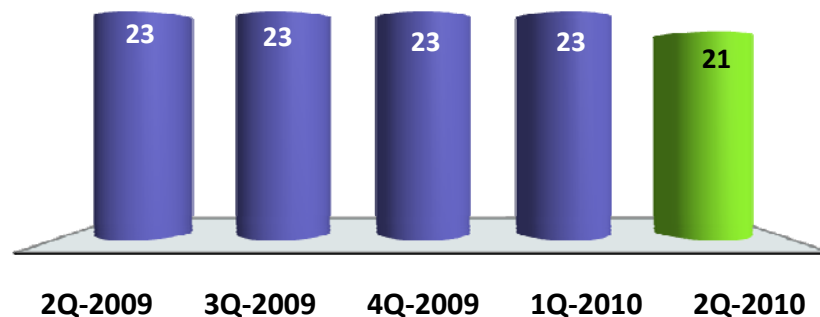


Mobile Revenue & ARPU

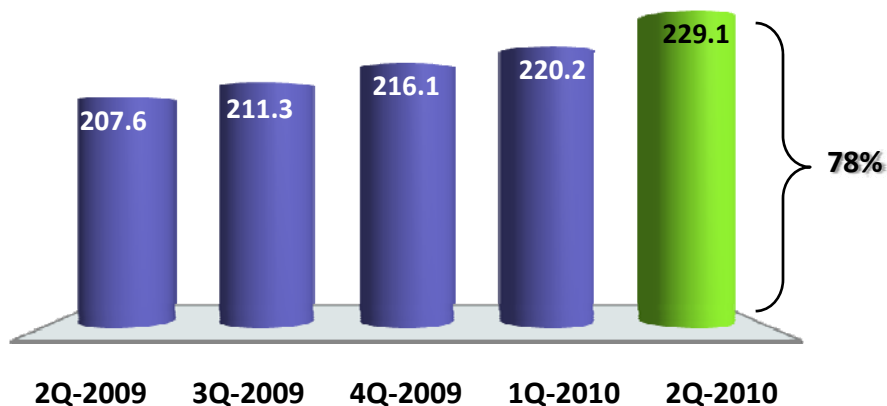
Pre-paid Revenue (S\$M)



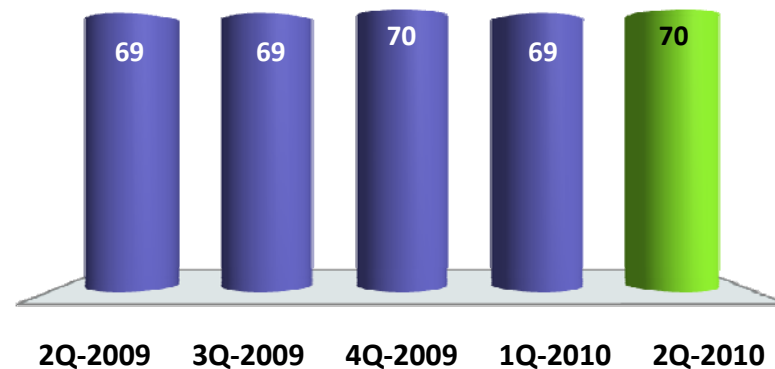
Pre-paid ARPU (S\$ per month)



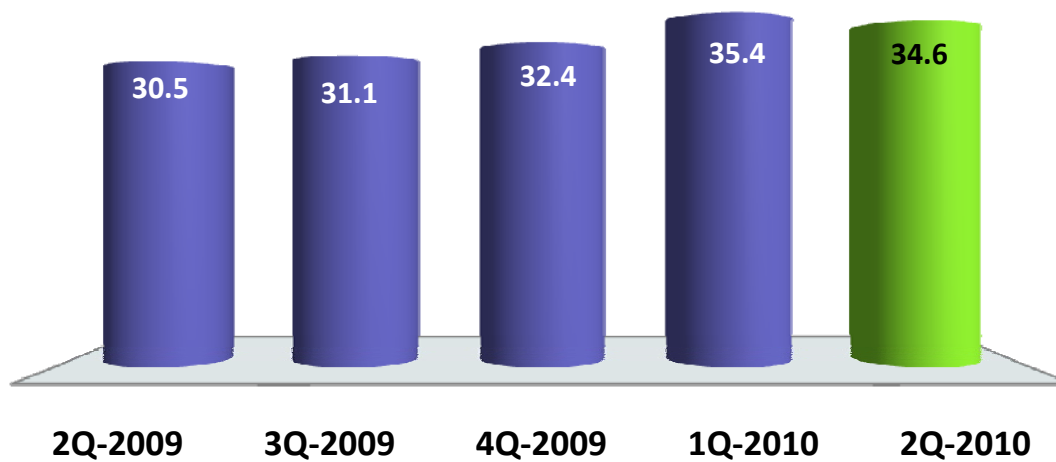
Post-paid Revenue (S\$M)



Post-paid ARPU (S\$ per month)



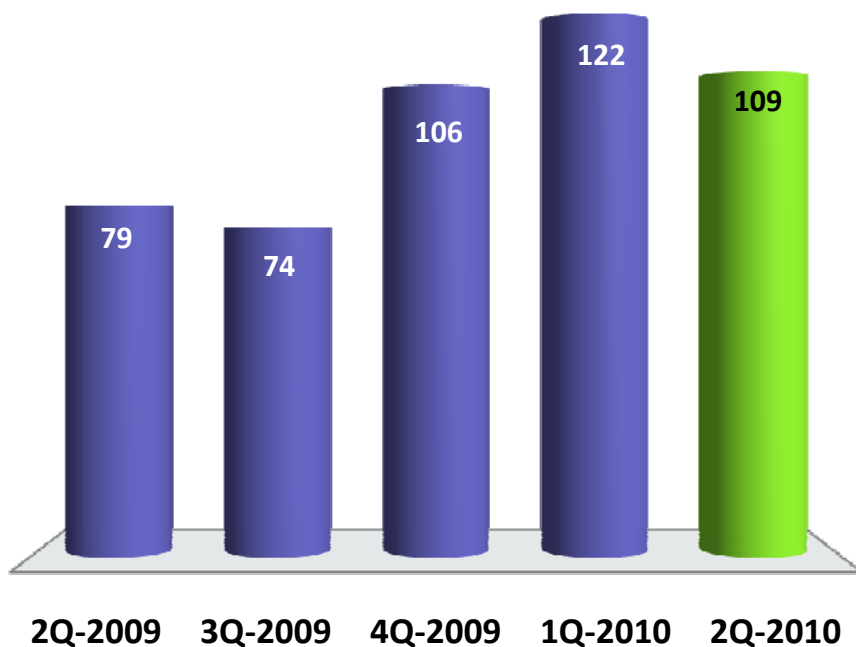
Post-paid non-voice services (% of ARPU)



Mobile Acquisition Costs & Churn Trend

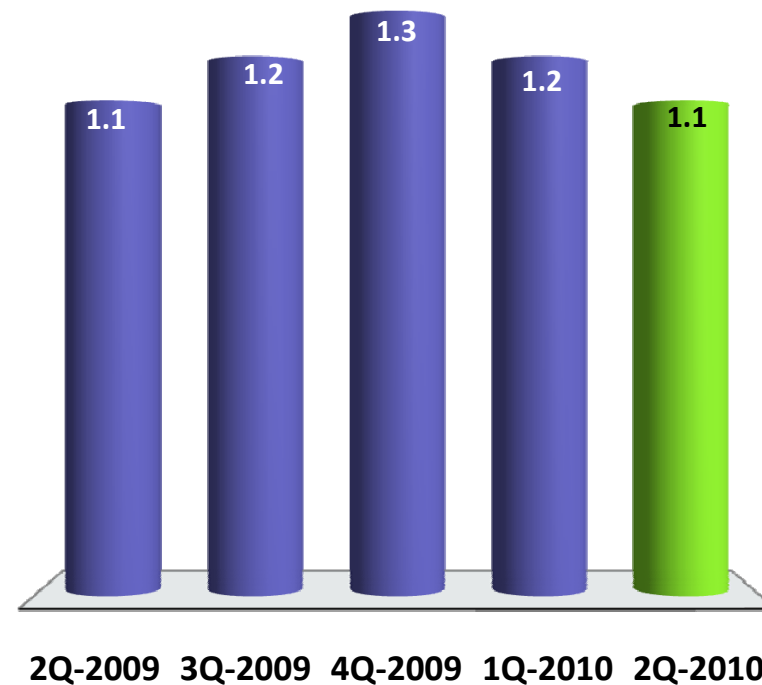
Average Acquisition Costs

Per Gross Connection (S\$)



Monthly Churn Rate (Post-paid)

(%)

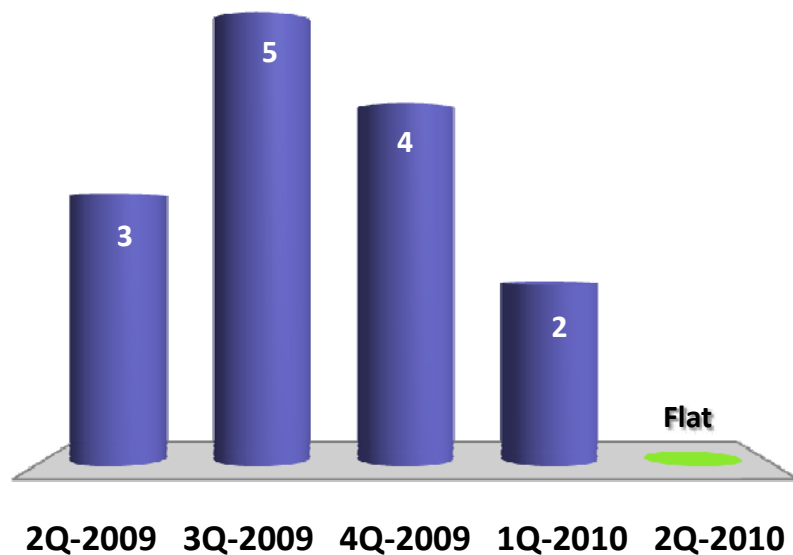




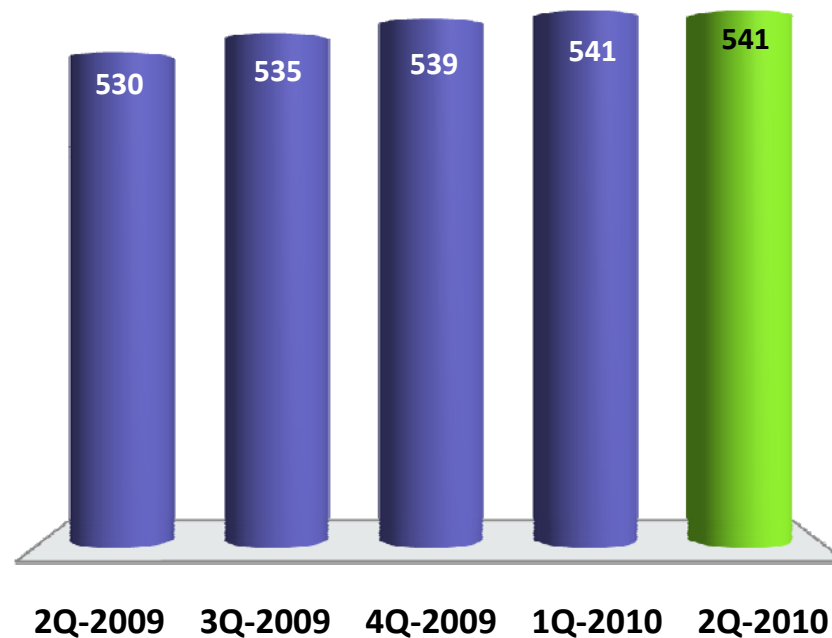
Pay TV (2Q-2010 vs 2Q-2009)

- Added 11k customers
- ARPU stable at \$56
- Revenue increased 9%

Net Adds ('000)

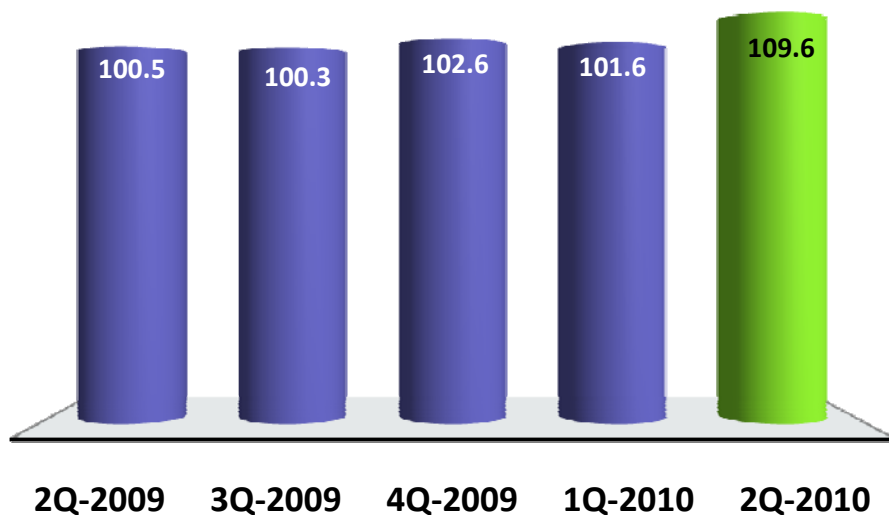


Customers ('000)

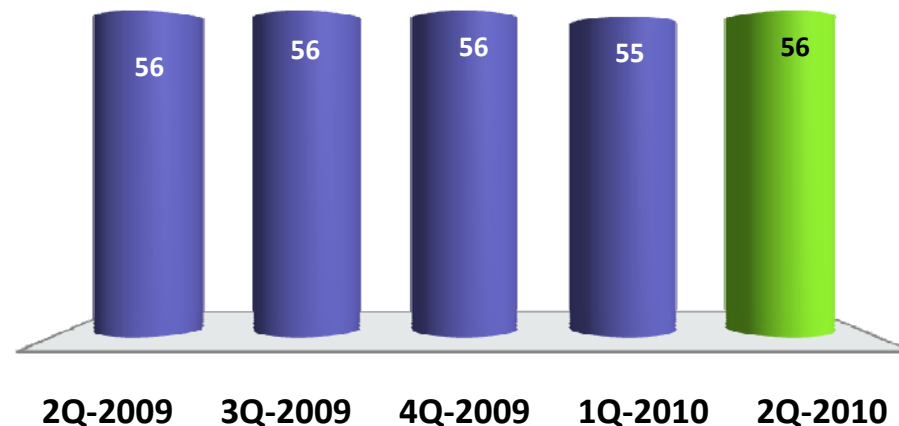


Pay TV Revenue & ARPU

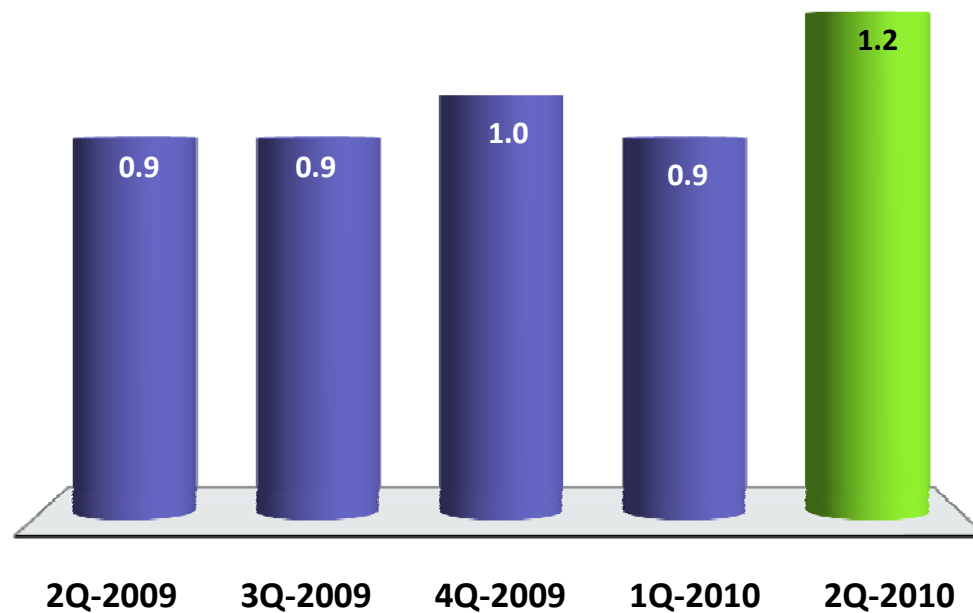
Pay TV Revenue(S\$M)



Pay TV ARPU (S\$ per month)



Average Monthly Churn Rate (%)





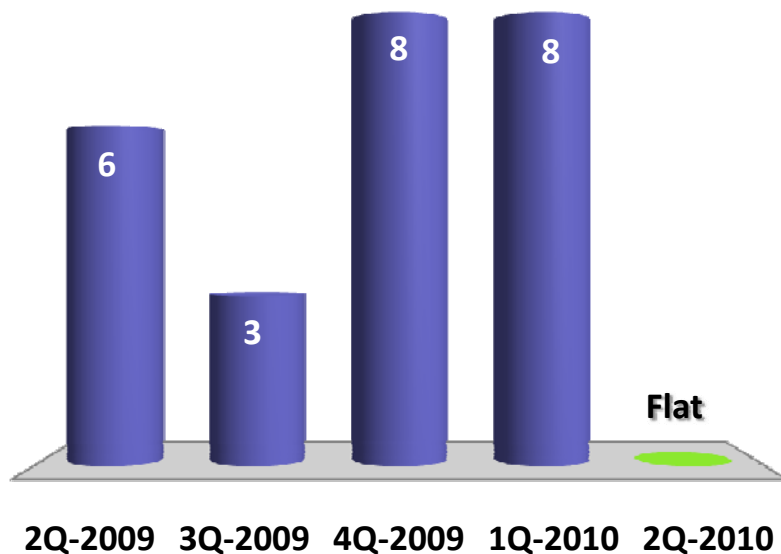
Residential Broadband

Broadband (2Q-2010 vs 2Q-2009)

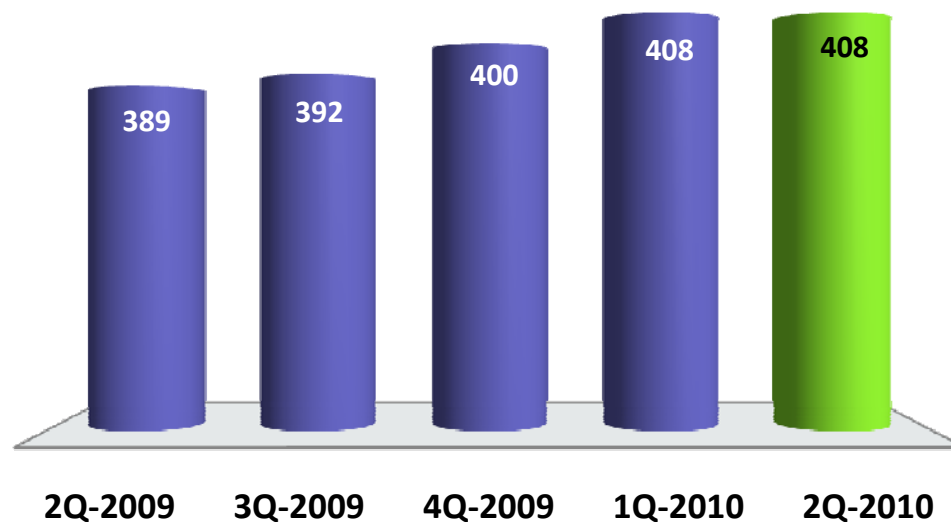
- **Added 19k customers**
- **ARPU decreased to \$48**
- **Churn increased to 1.6%**

Residential Broadband Net Adds

Net Adds ('000)

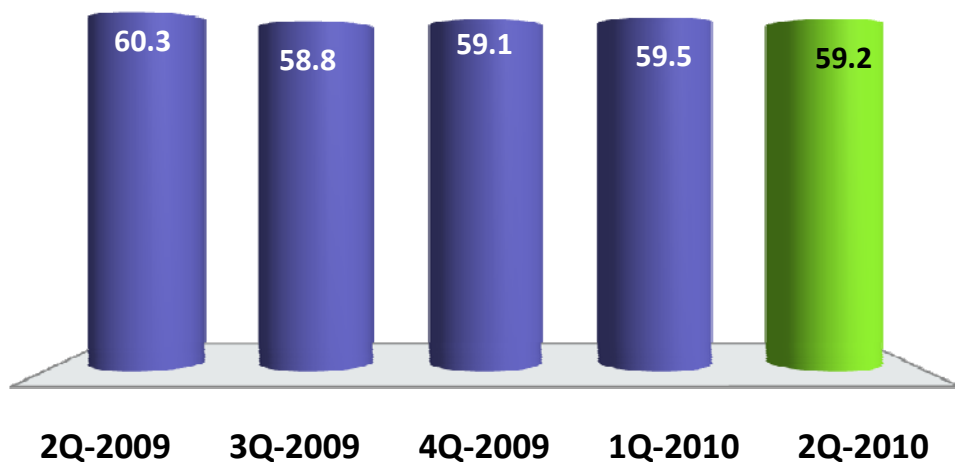


Customers ('000)

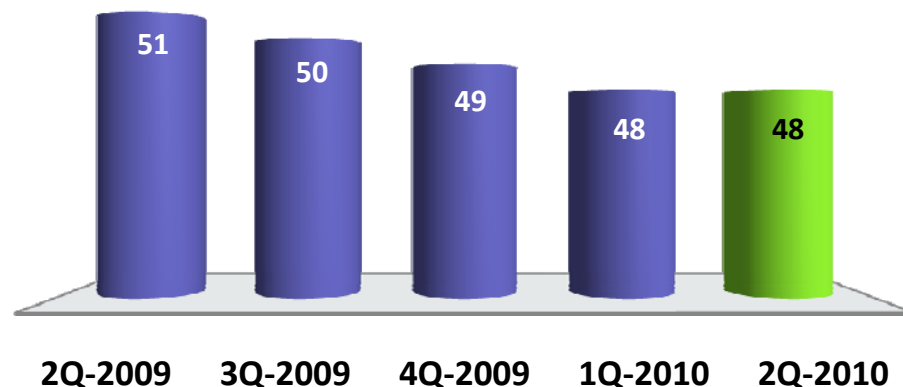


Residential Broadband Revenue & ARPU

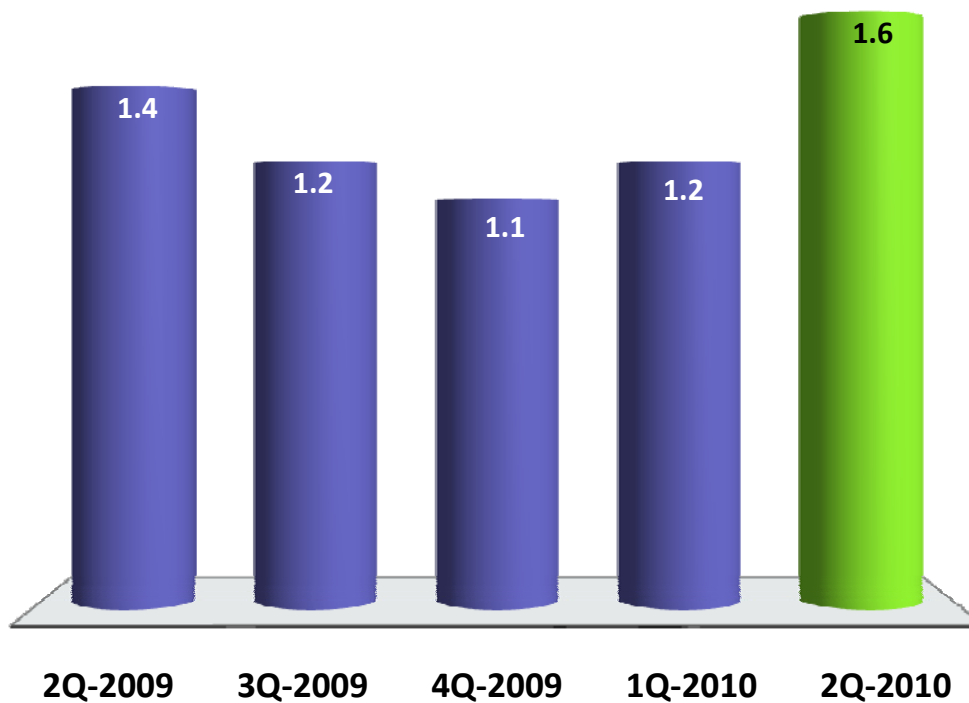
Broadband Revenue(S\$M)



Broadband ARPU (S\$ per month)



Average Monthly Churn Rate (%)





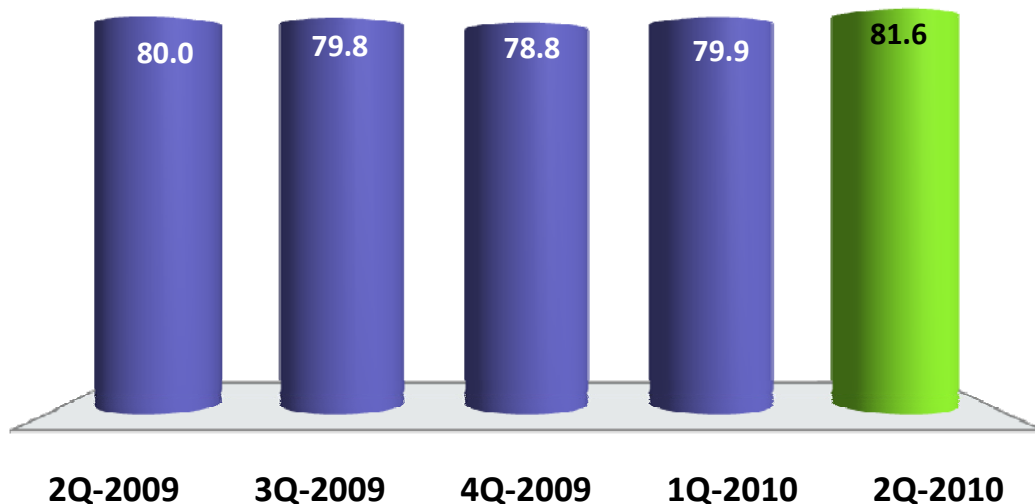
Fixed Network Services

Fixed Network Services (2Q-2010 vs 2Q-2009)

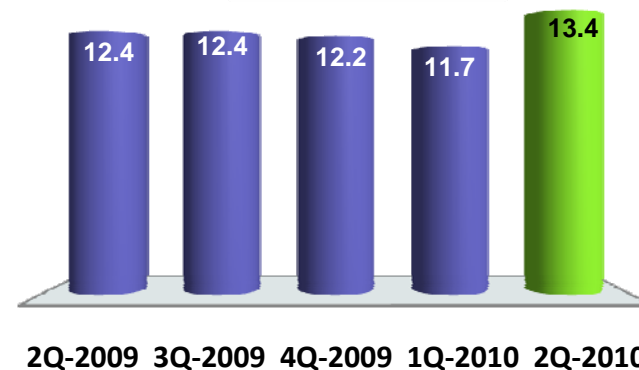
- Revenue increased 2%
- Data & Internet services maintained 84% contribution to revenue

Fixed Network Services

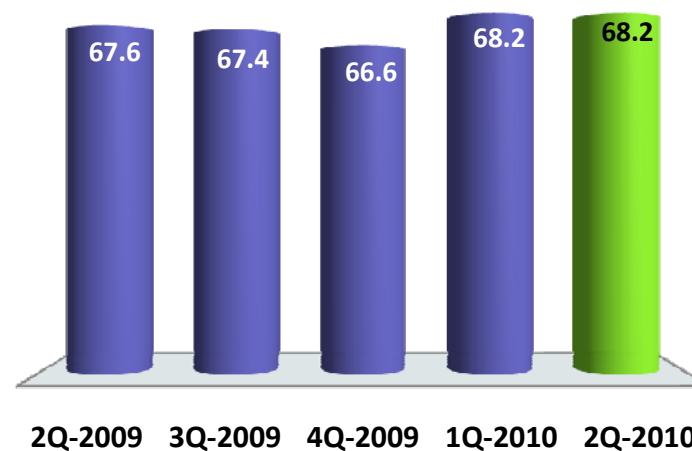
Fixed Network Revenue (S\$M)



Voice (S\$M)



Data & Internet (S\$M)





Outlook

Revenue:	Maintain revenue growth at low <u>single-digit</u> range
EBITDA:	Maintain EBITDA margin on service revenue to around <u>28%</u>
CAPEX:	Maintain cash capex to not exceed <u>14%</u> percent of operating revenue
Dividend:	Maintain cash dividend payout at <u>5.0</u> cents per ordinary share per quarter, totaling 20.0 cents for FY2010



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