

A decorative graphic on the left side of the slide features a vertical green line. To its left, there are two green arrowheads pointing right and one yellow arrowhead pointing right, all positioned at different heights.

StarHub 2Q & 1H-2010 Results

5 August 2010

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
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

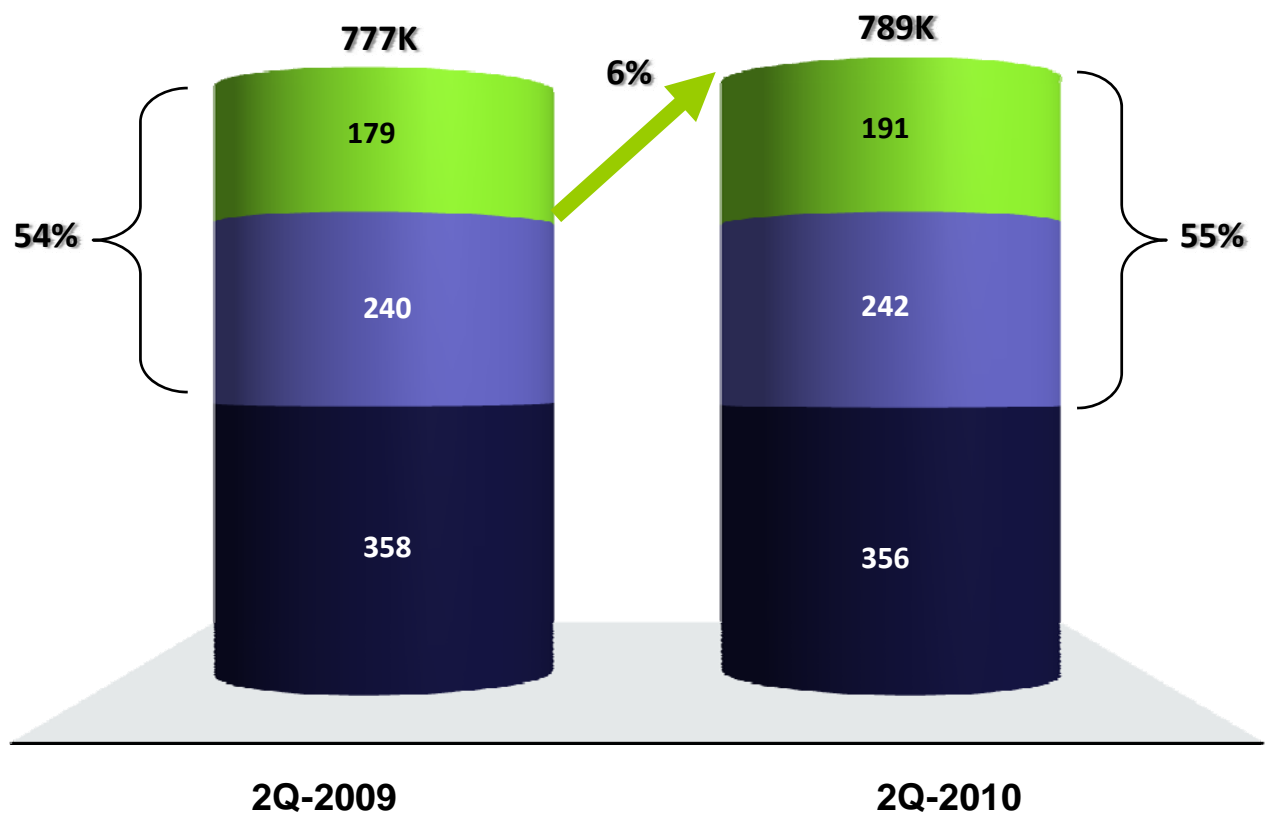
\$ million	2Q-2010	2Q-2009	Change	1H-2010	1H-2009	Change
Operating Revenue	569	532	7%	1,126	1,063	6%
Service Revenue	544	513	6%	1,072	1,021	5%
EBITDA	141	161	-12%	260	329	-21%
EBITDA Margin	25.9%	31.5%	-5.5% pts	24.2%	32.2%	-8.0% pts
Taxation	(13)	(17)	20%	(23)	(36)	35%
Net Profit After Tax	58	78	-25%	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 (11% of revenue mix)	 (2)%	 5%
Fixed Network Services (14% of revenue mix)	 2% Data & Internet (1%) Voice (8%)	

Hubbing Scorecard

Expanding Hubbing Households ('000)



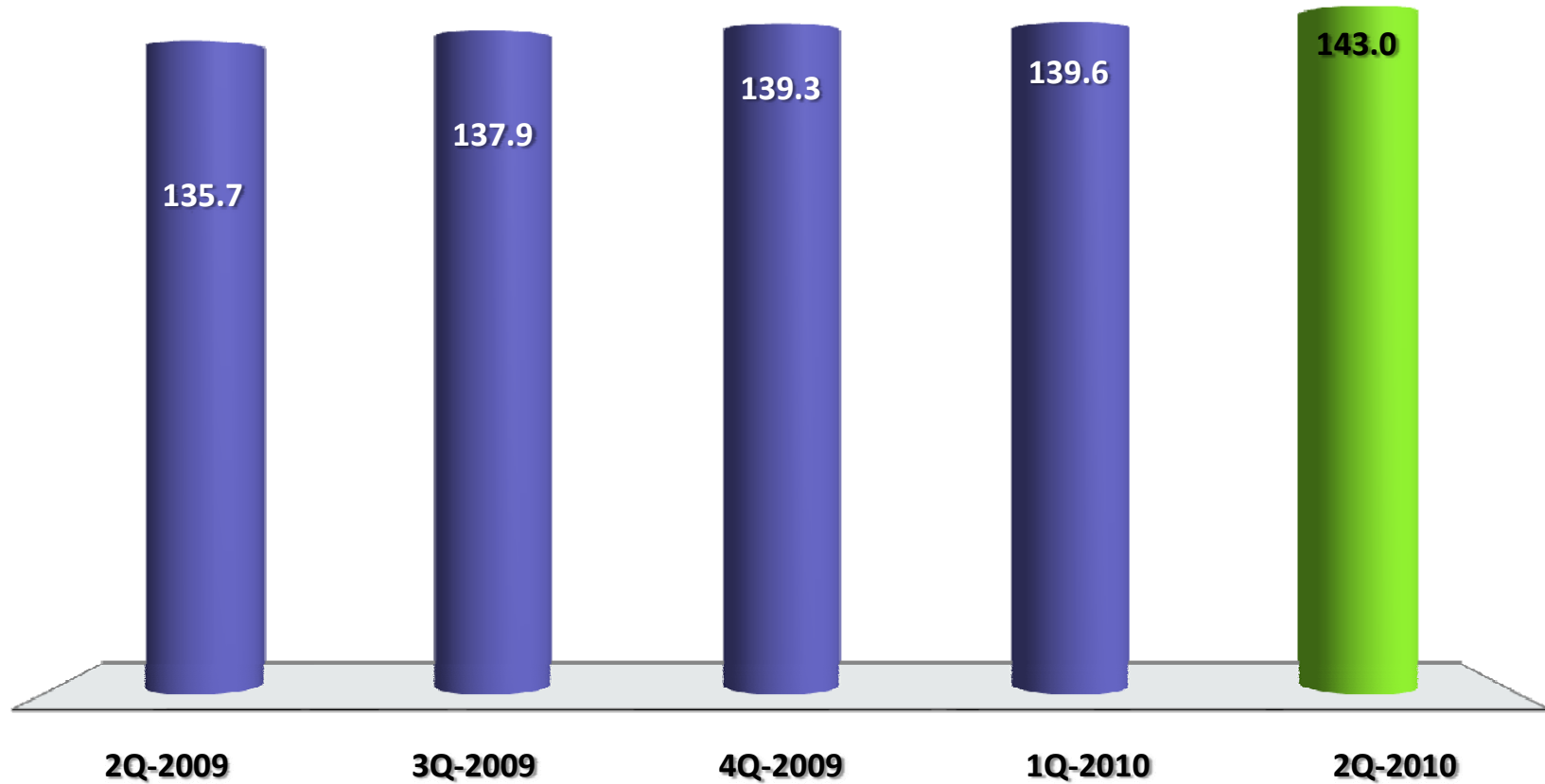
- Single Service HH
- Double Service HH
- Triple Service HH



Total Households ARPU



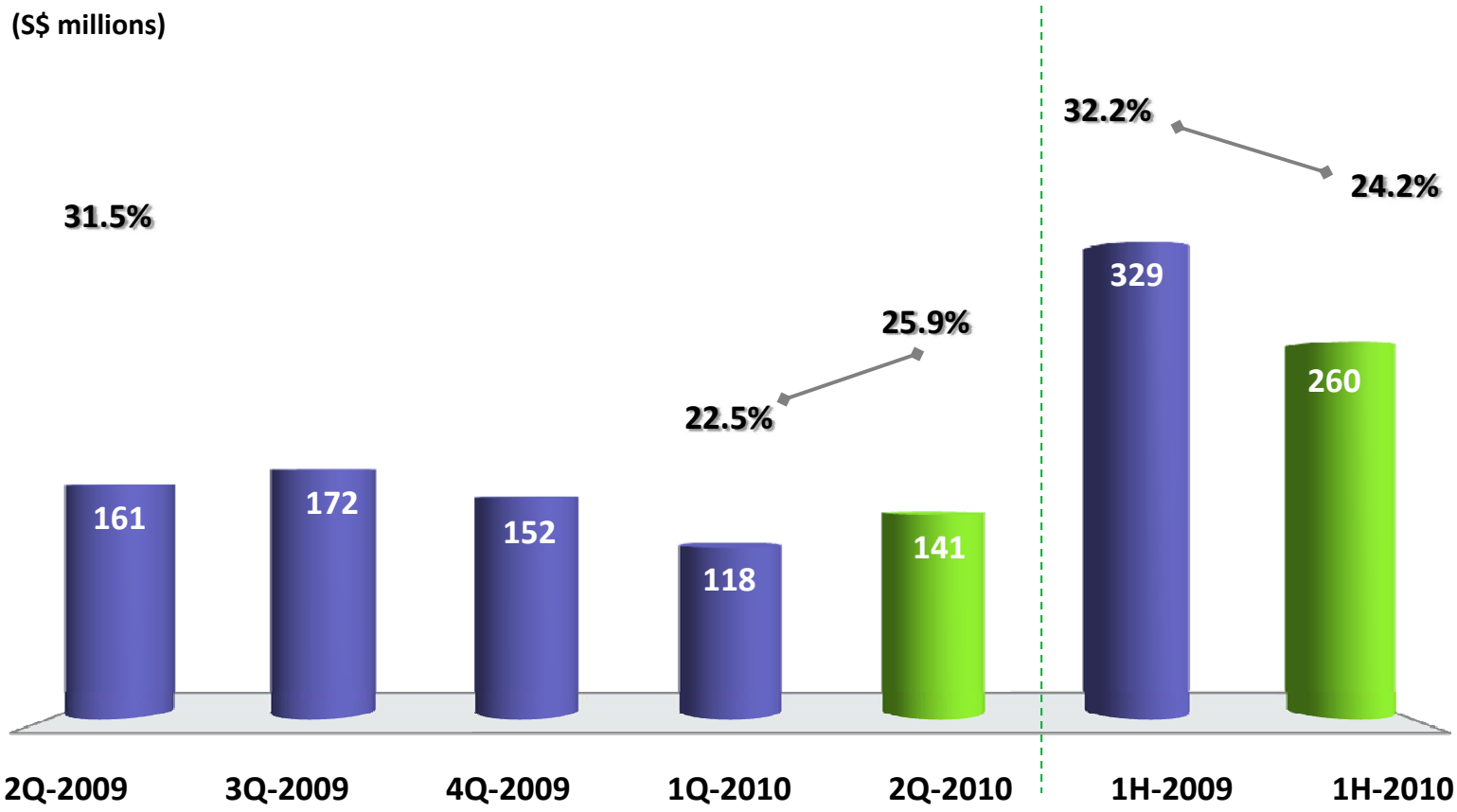
ARPU (S\$)





Financial Overview

EBITDA & EBITDA Margin

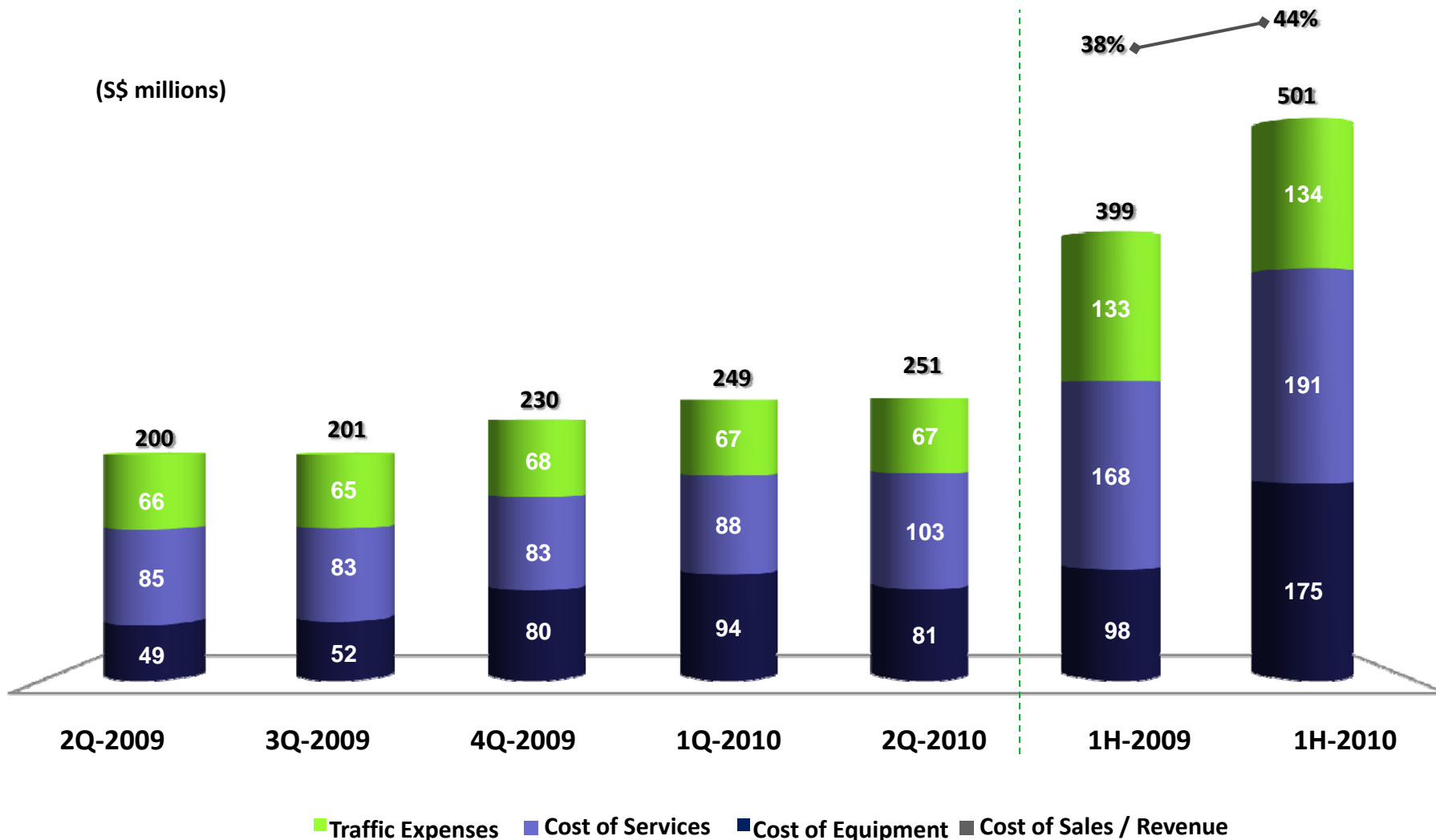


◆ EBITDA Margin as % of Service Revenue

Note: Numbers may not add up due to rounding.

Cost Of Sales

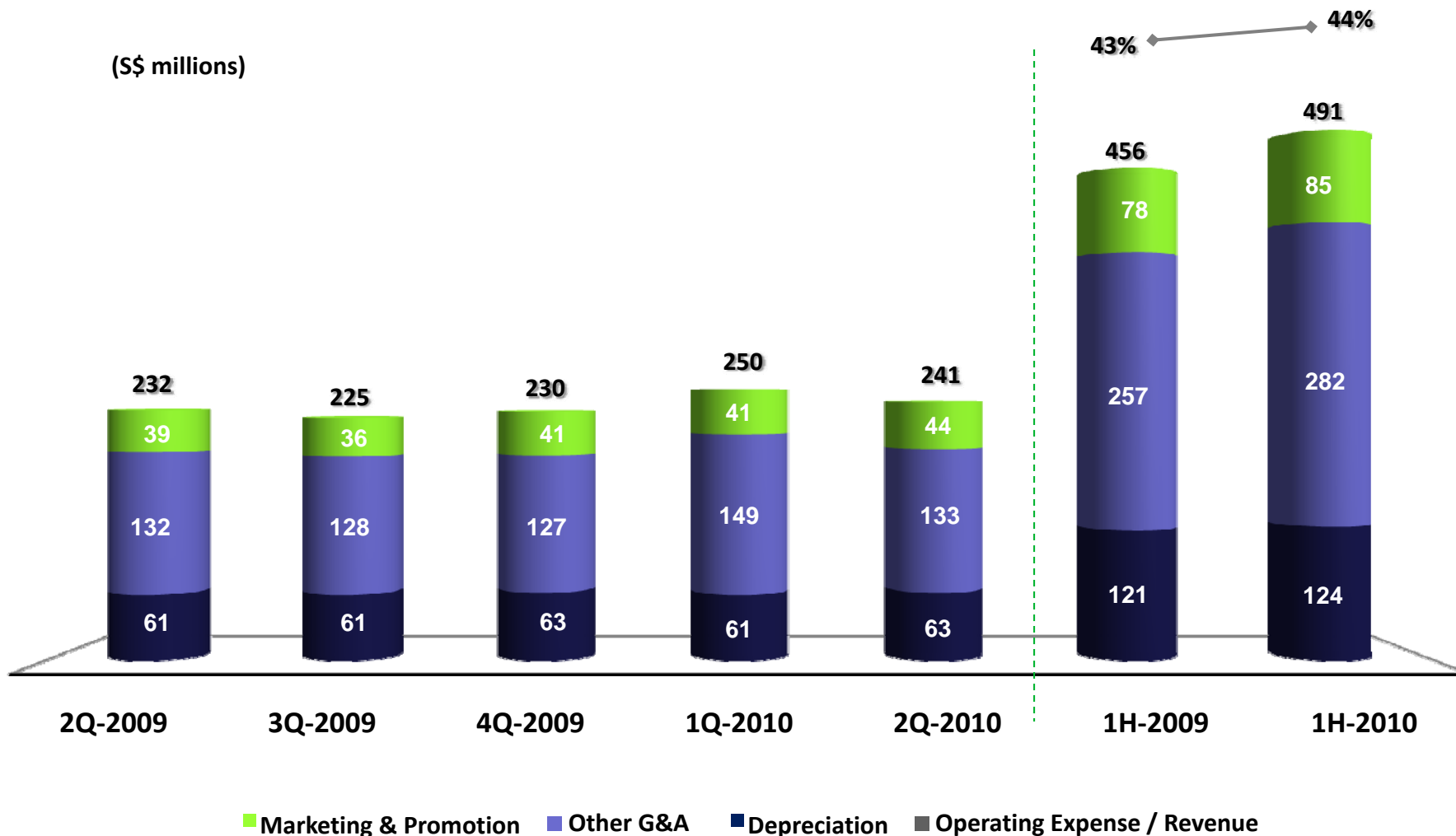
(\$ millions)



Note: Numbers may not add up due to rounding.

Other Operating Expenses

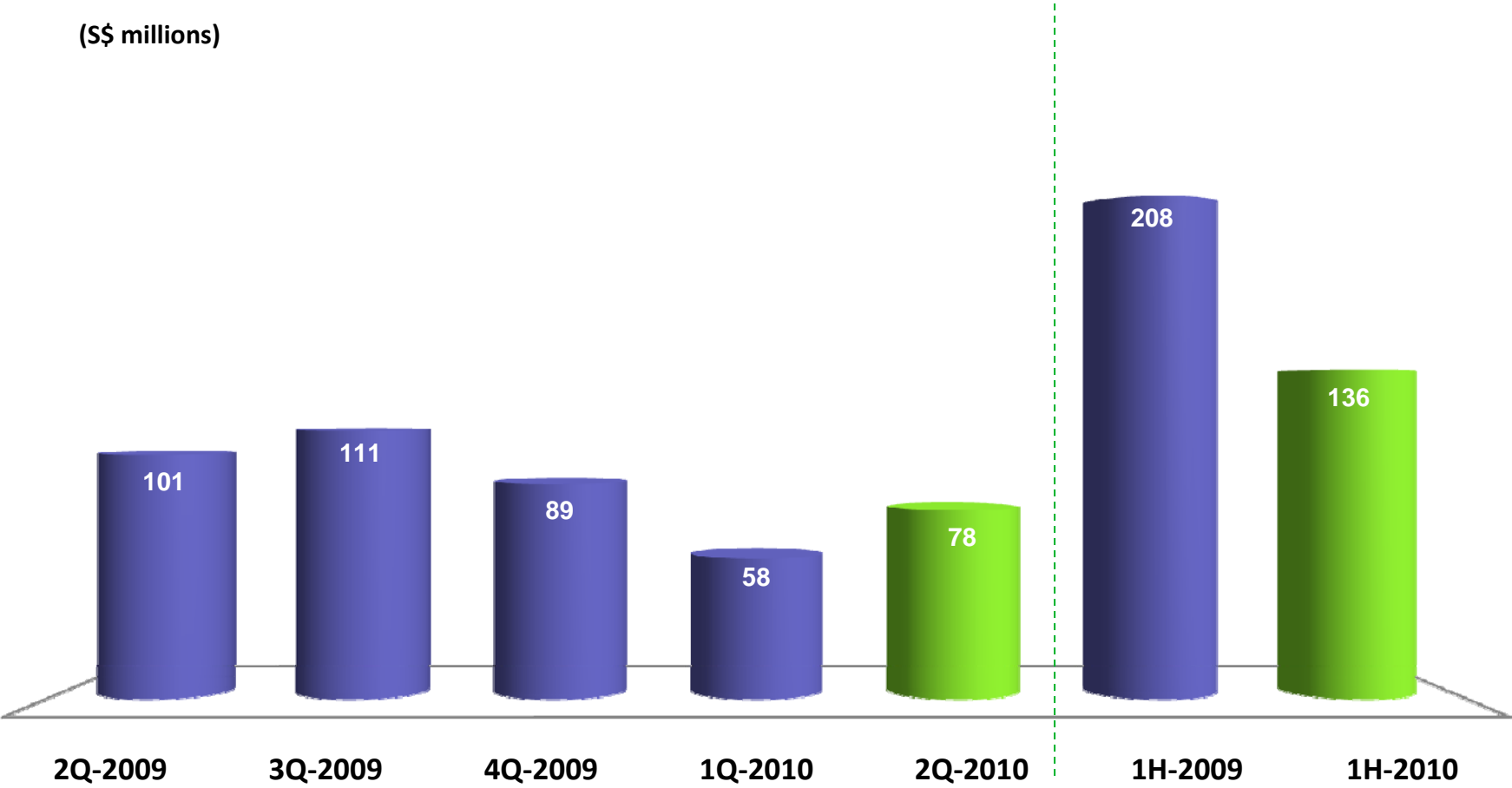
(S\$ millions)



Note: Numbers may not add up due to rounding.

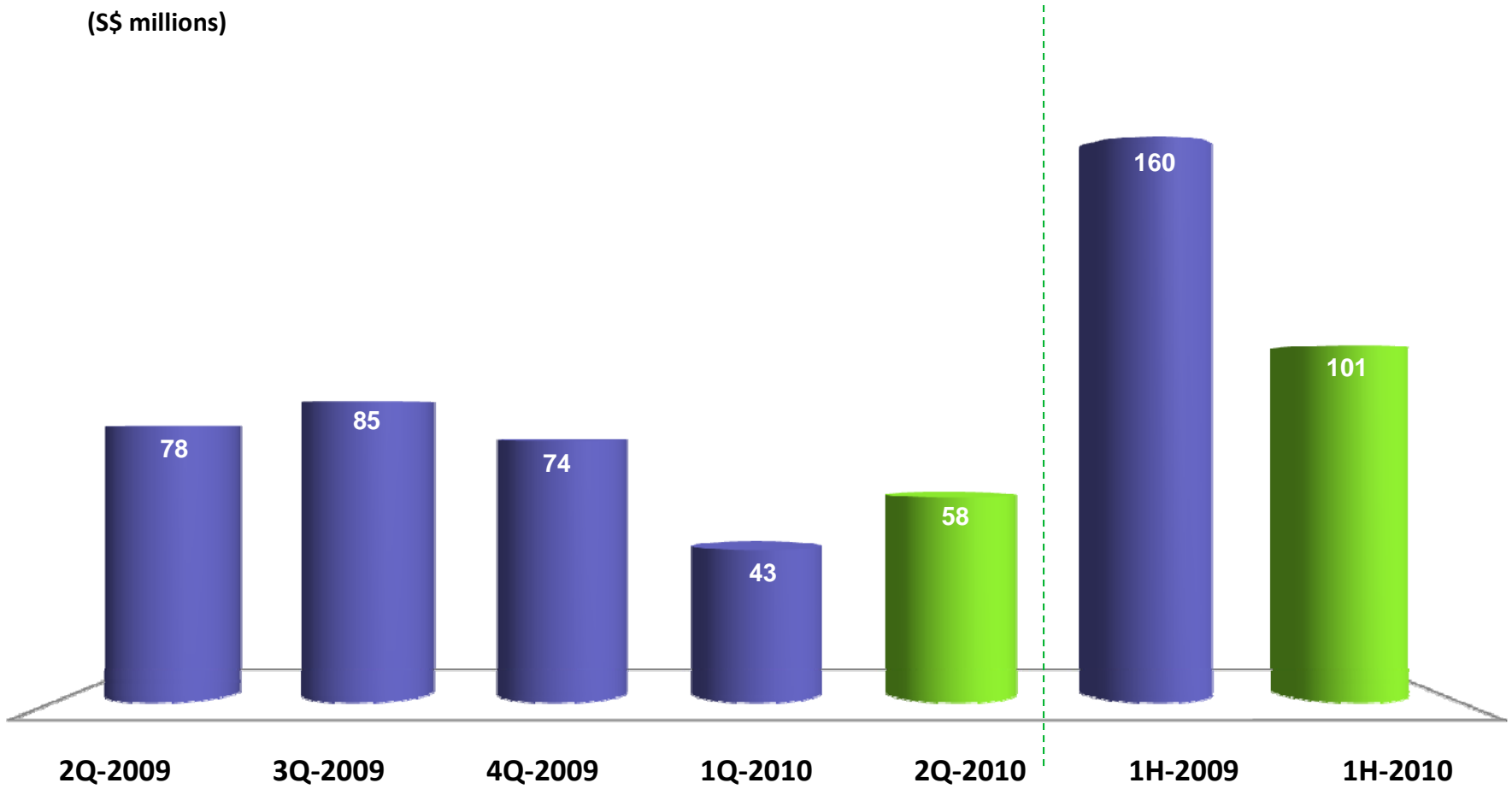
Profit From Operations

(S\$ millions)



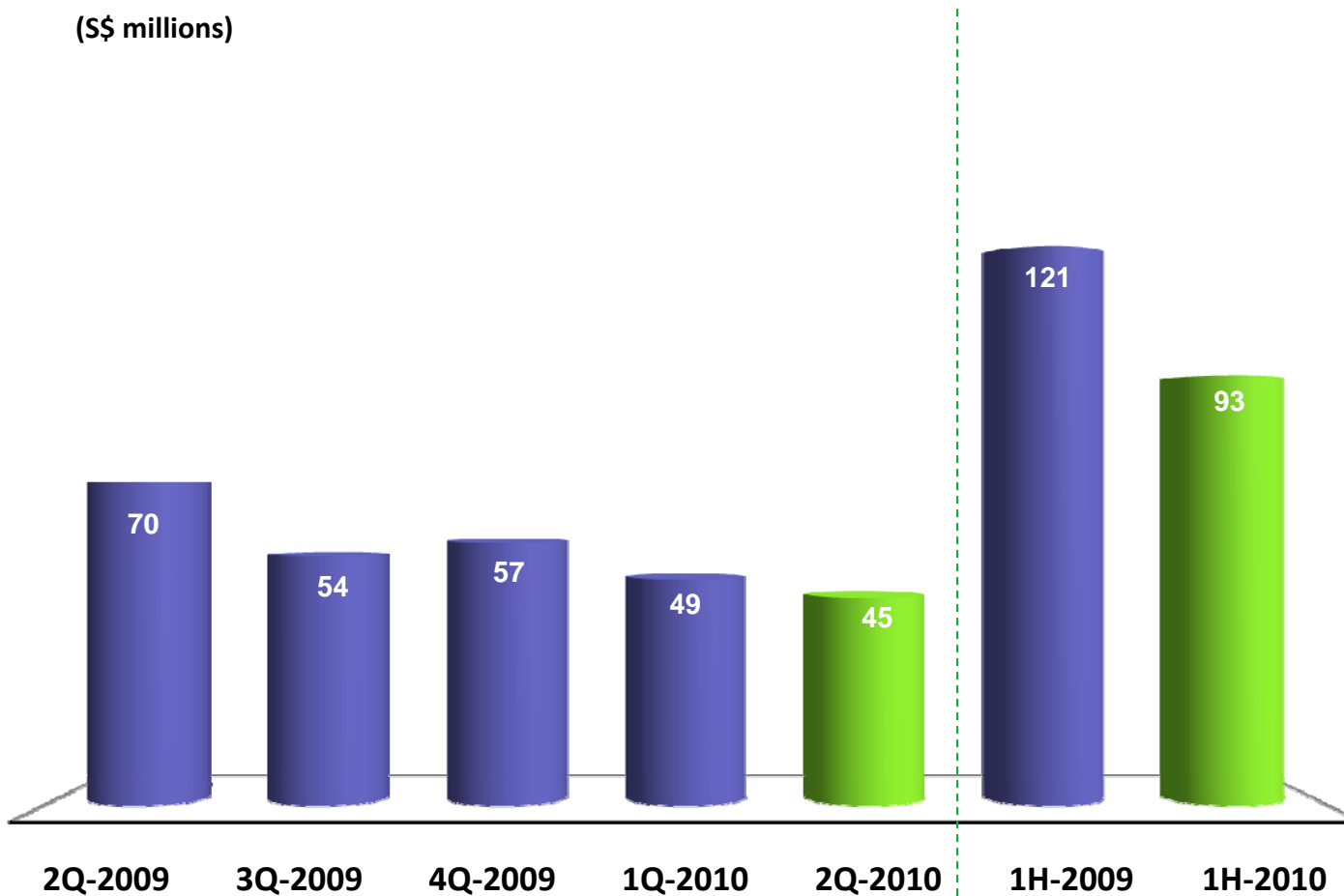
Net Profit After Tax

(S\$ millions)



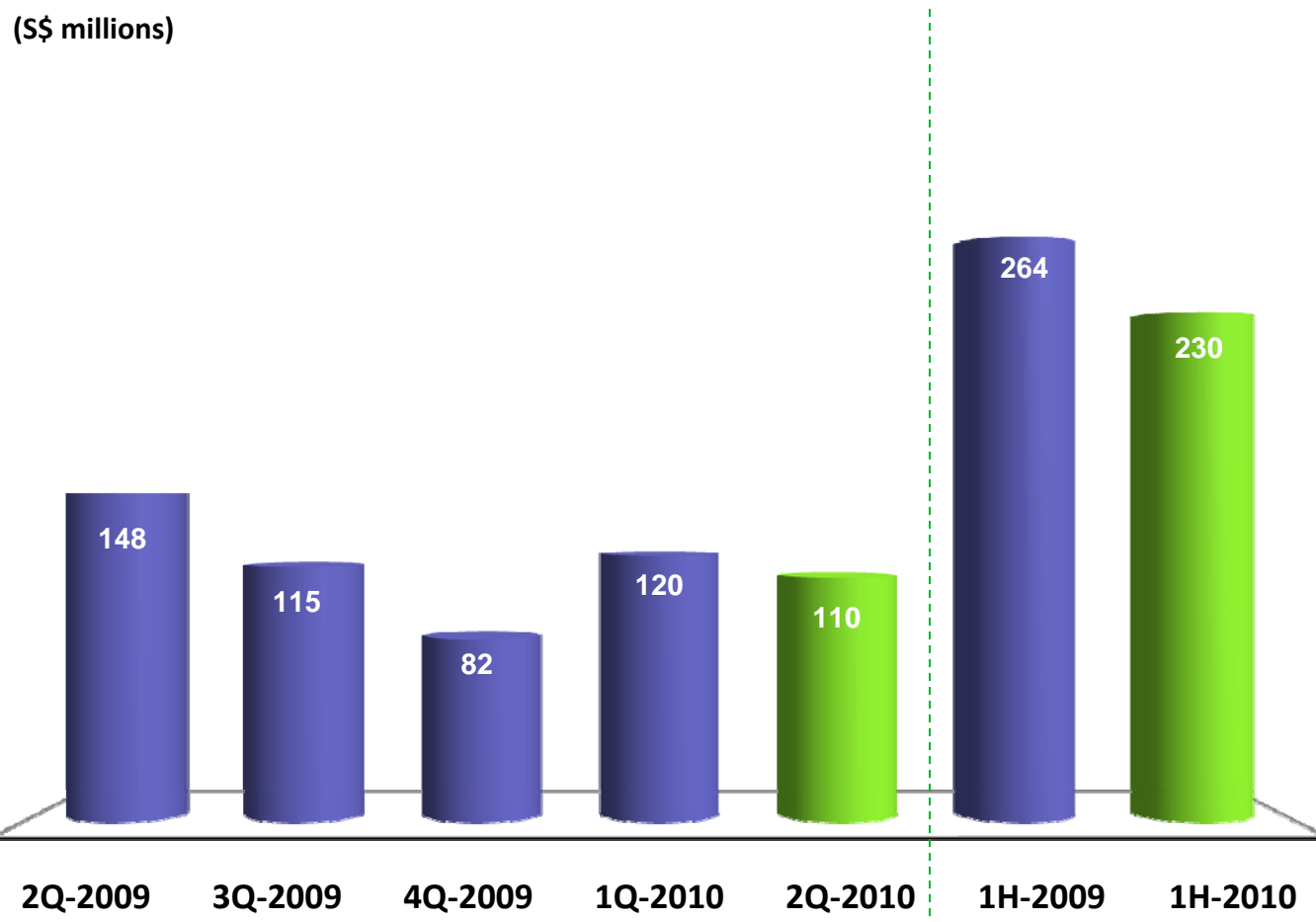
Capex (cash payments)

(S\$ millions)



Note: Numbers may not add up due to rounding.

Free Cash Flow



Mobile

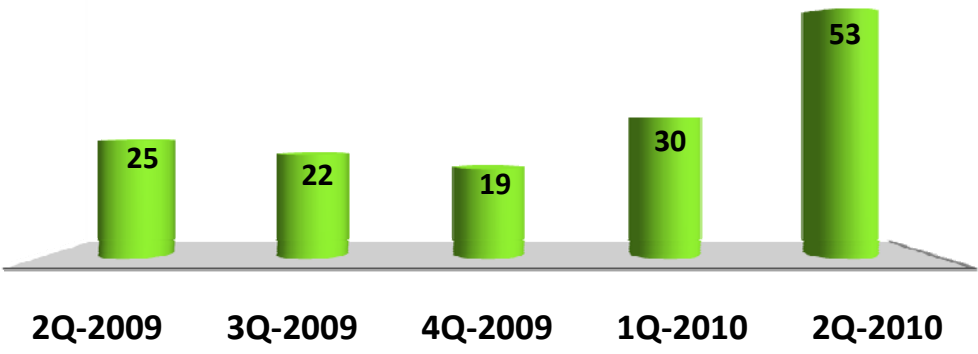


Mobile (2Q-2010 vs 2Q-2009)

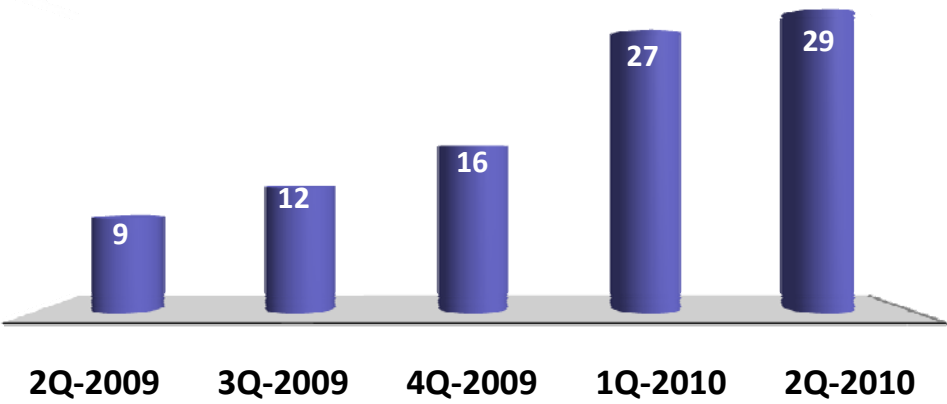
- **Added 207k customers**
- **Pre-paid customer base expanded 13%**
- **Post-paid ARPU increased \$1 to \$70**

Mobile Net Adds

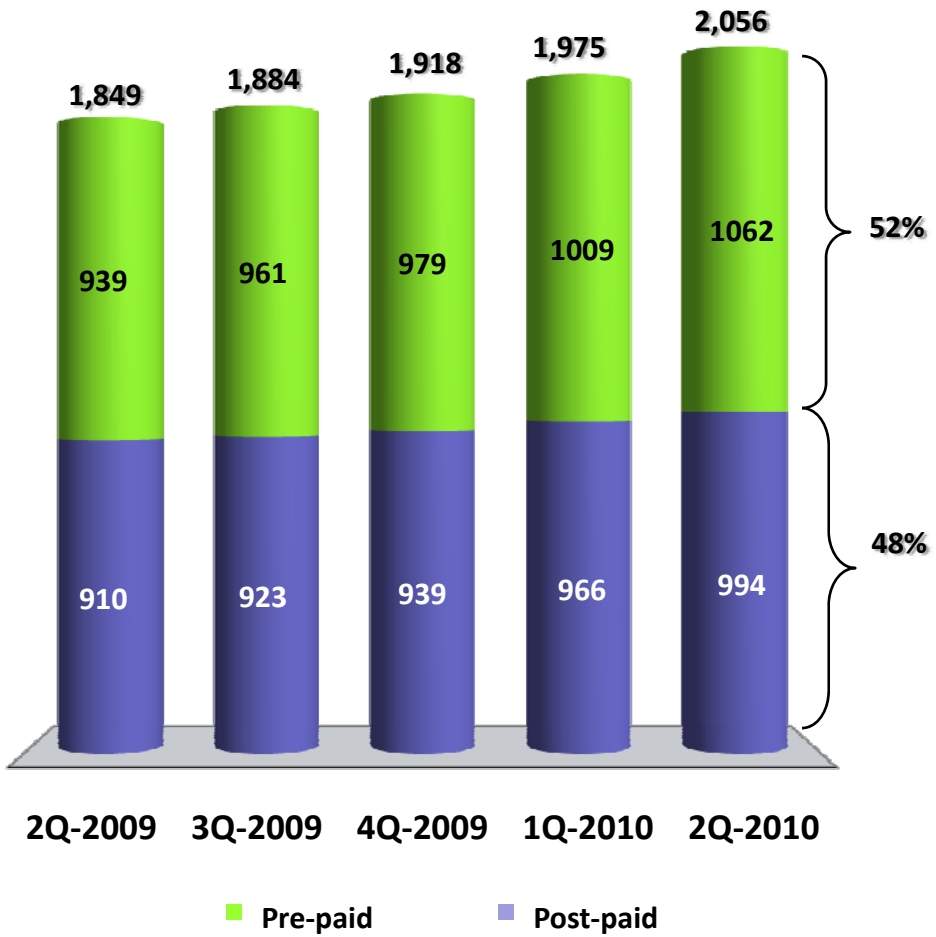
Pre-paid Net Adds ('000)



Post-paid Net Adds ('000)

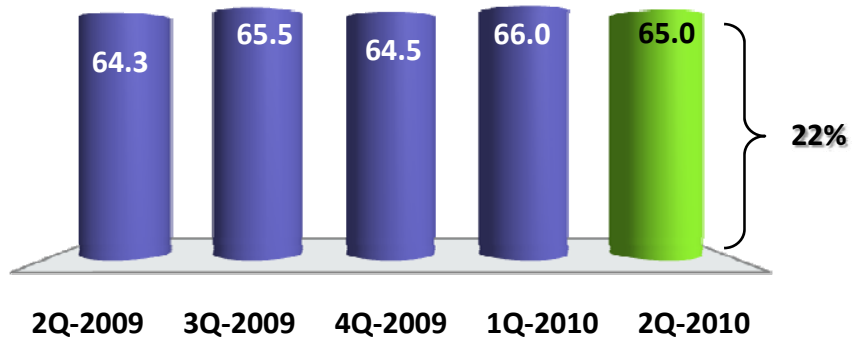


Customers ('000)

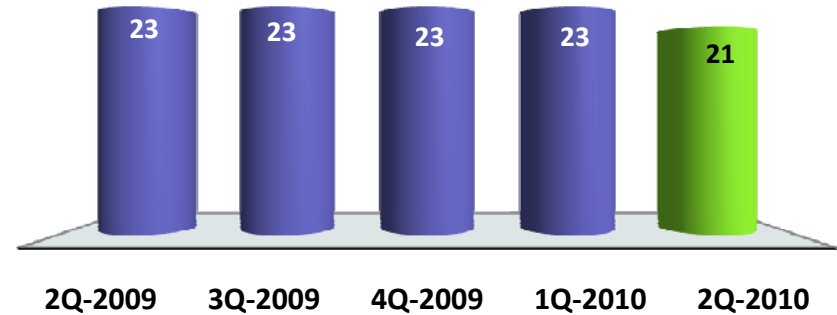


Mobile Revenue & ARPU

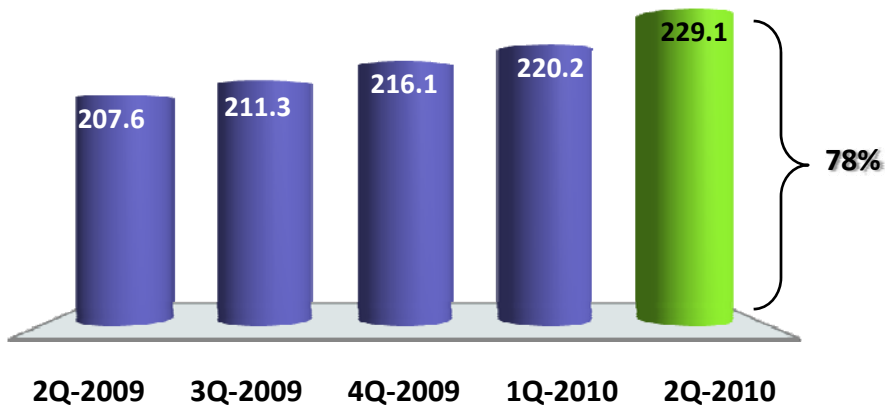
Pre-paid Revenue (S\$M)



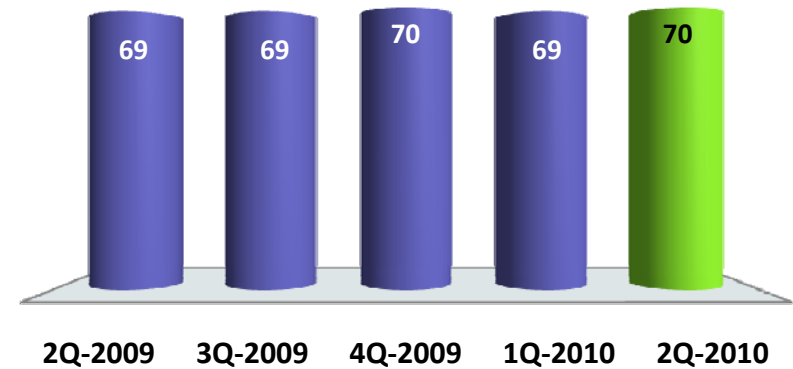
Pre-paid ARPU (S\$ per month)



Post-paid Revenue (S\$M)

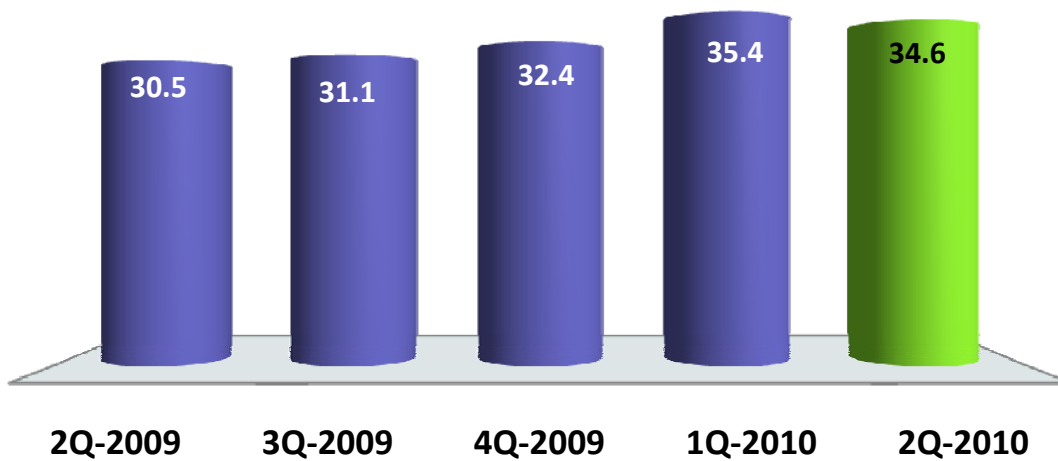


Post-paid ARPU (S\$ per month)



Mobile Non-Voice Services

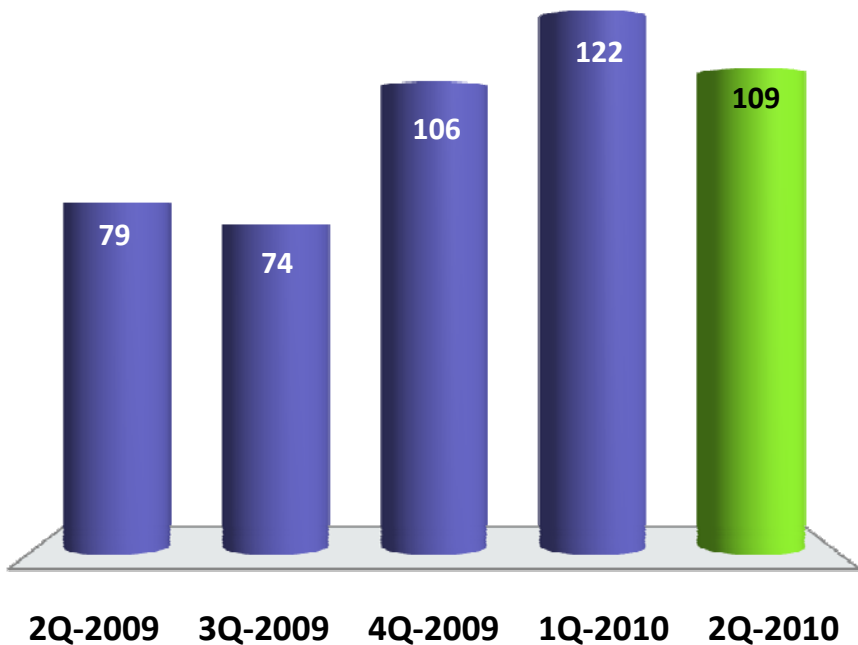
Post-paid non-voice services (% of ARPU)



Mobile Acquisition Costs & Churn Trend

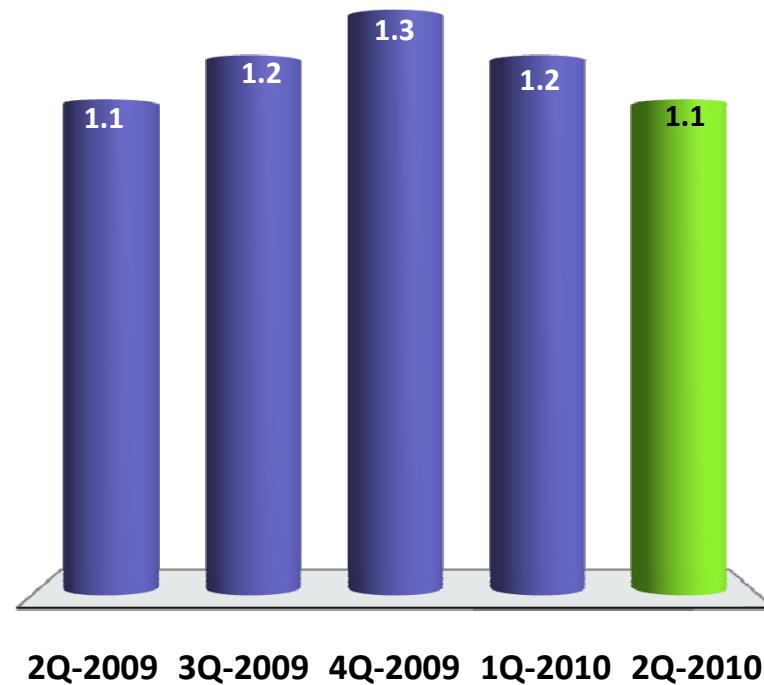
Average Acquisition Costs

Per Gross Connection (S\$)



Monthly Churn Rate (Post-paid)

(%)



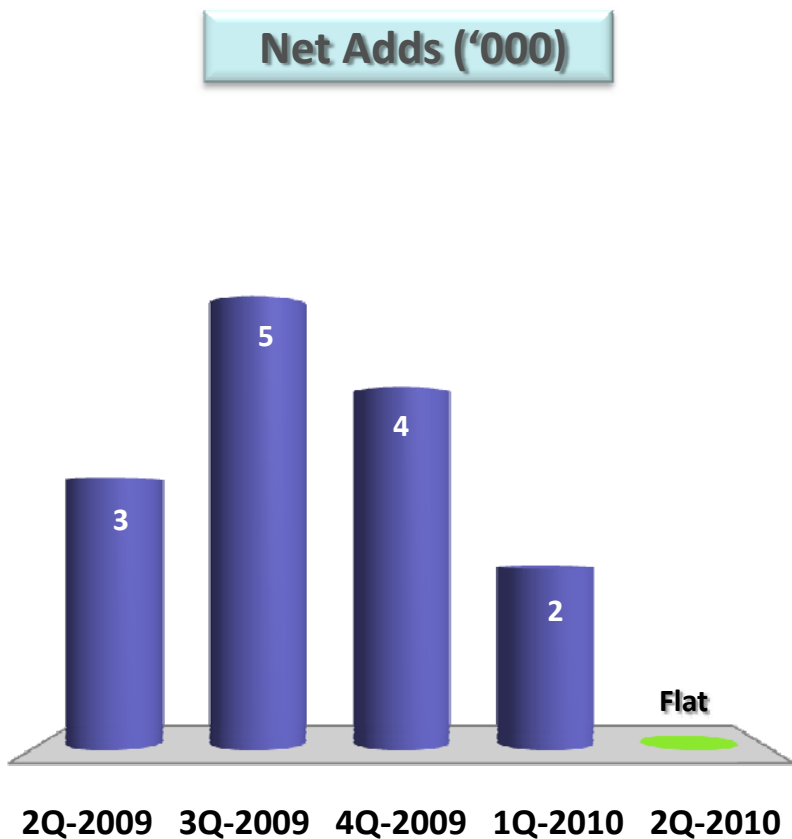


Pay TV (2Q-2010 vs 2Q-2009)

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

Pay TV Net Adds

Net Adds ('000)

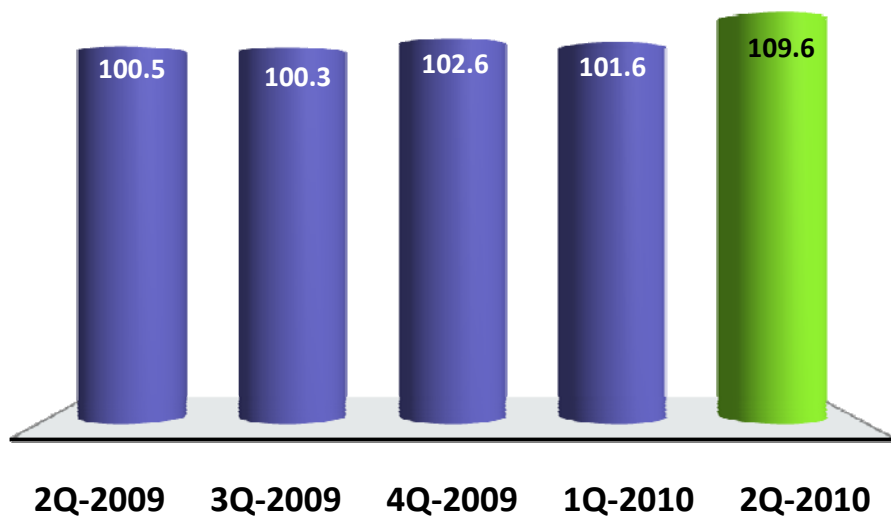


Customers ('000)

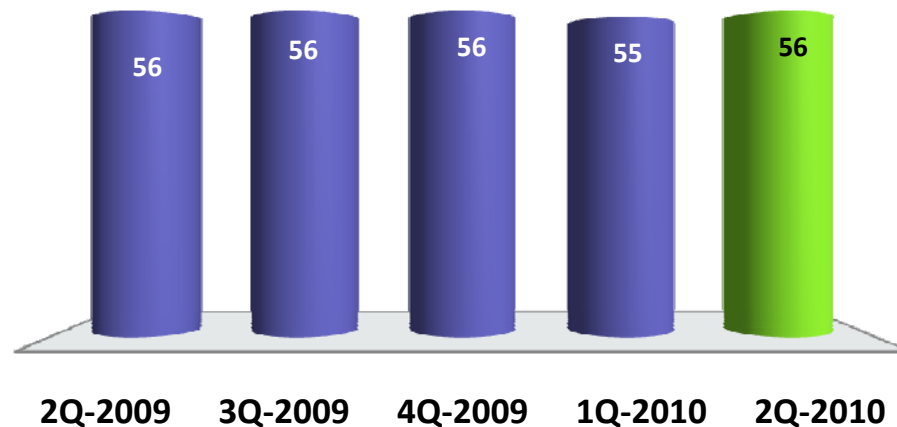


Pay TV Revenue & ARPU

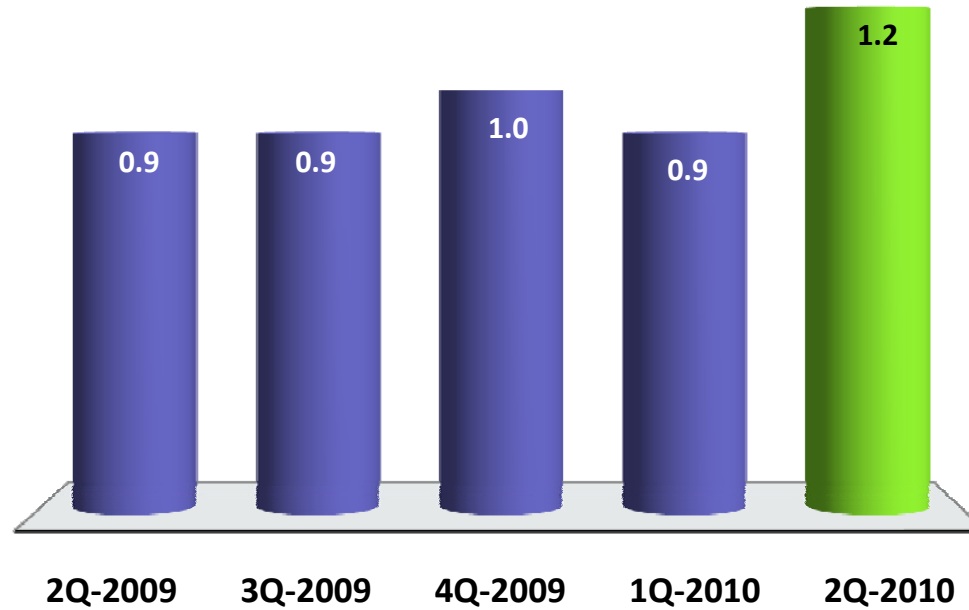
Pay TV Revenue (S\$M)



Pay TV ARPU (S\$ per month)



Average Monthly Churn Rate (%)





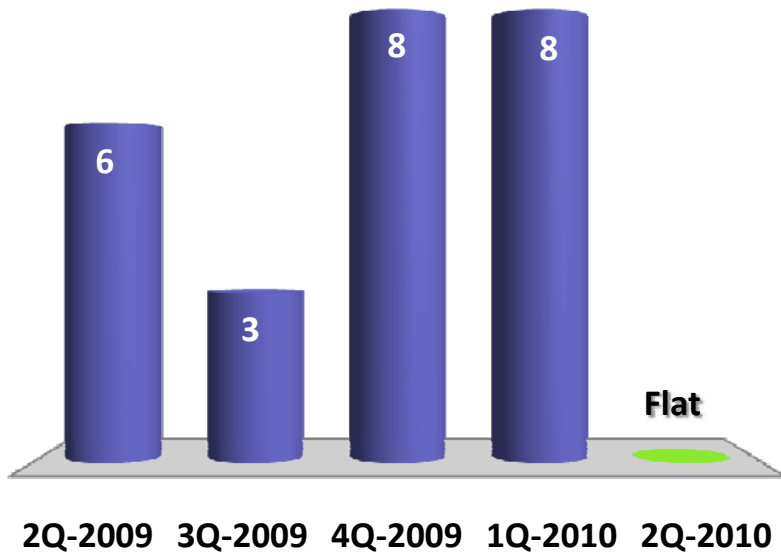
Residential Broadband

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

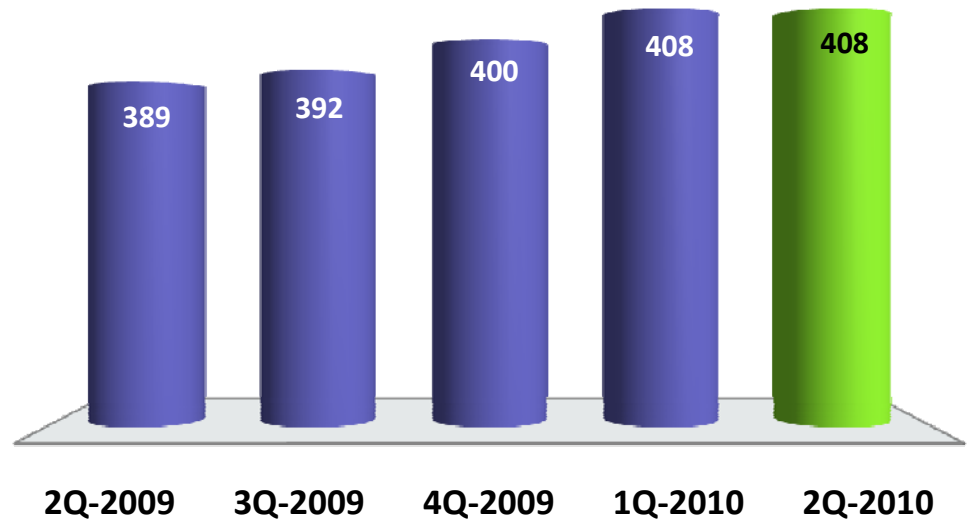
- **Added 19k customers**
- **ARPU decreased to \$48**
- **Churn increased to 1.6%**

Residential Broadband Net Adds

Net Adds ('000)

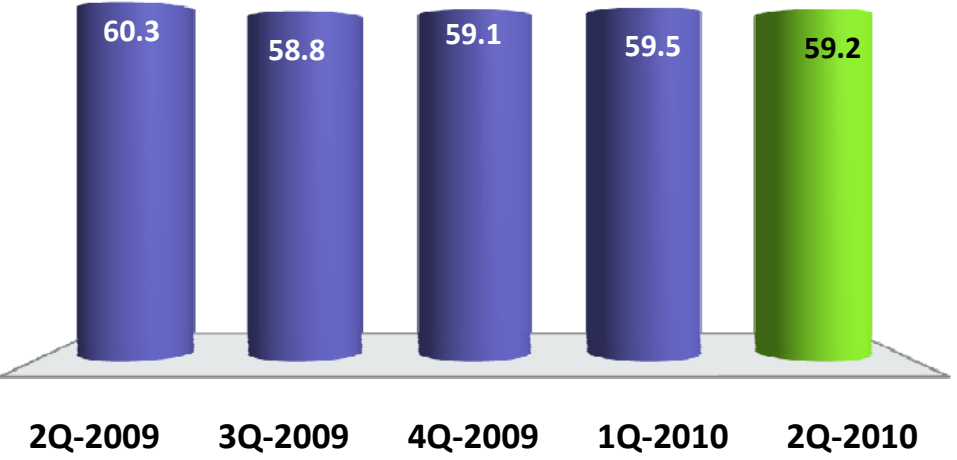


Customers ('000)

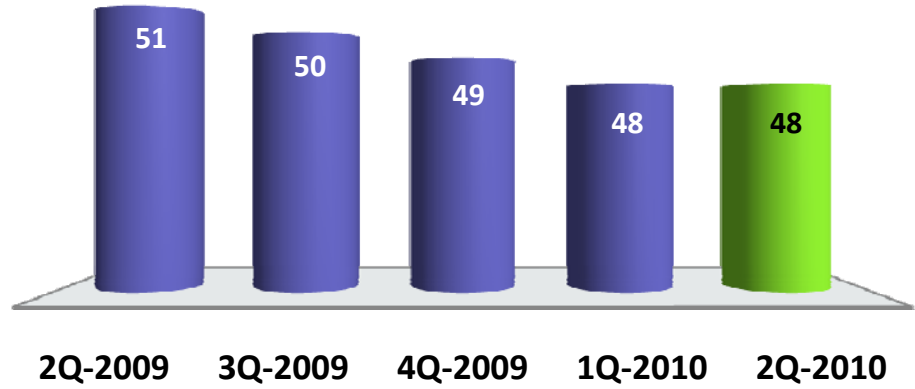


Residential Broadband Revenue & ARPU

Broadband Revenue (S\$M)

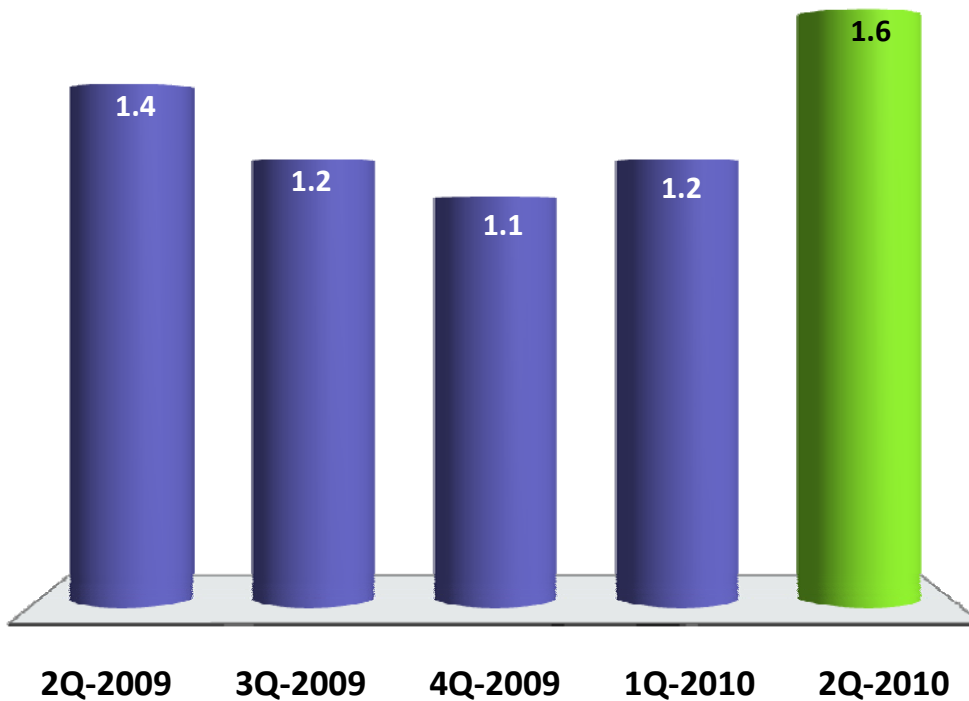


Broadband ARPU (S\$ per month)



Residential Broadband Churn

Average Monthly Churn Rate (%)



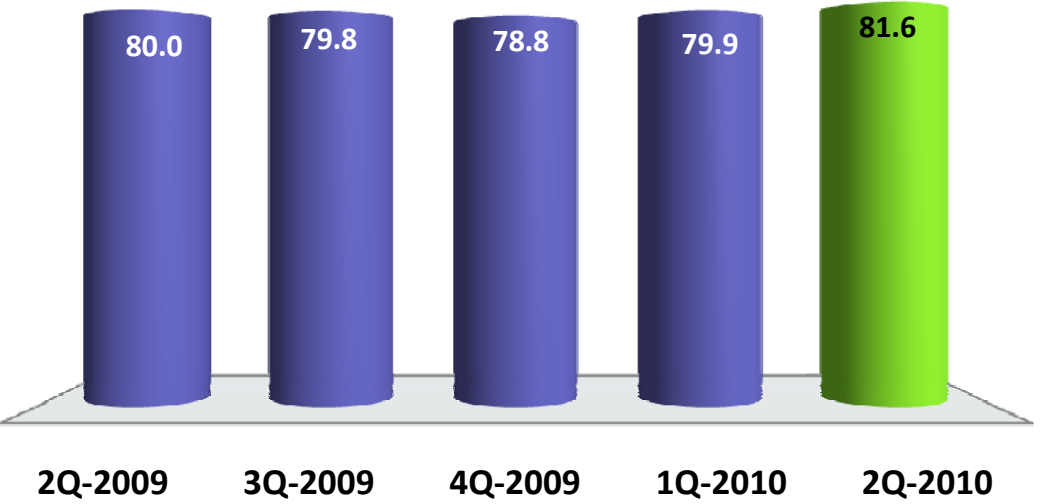


Fixed Network Services (2Q-2010 vs 2Q-2009)

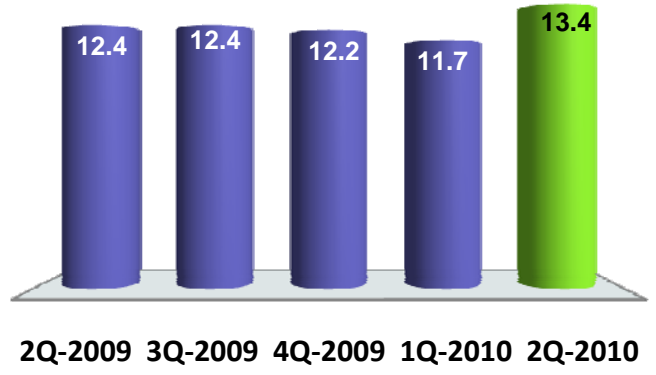
- Revenue increased 2%
- Data & Internet services maintained 84% contribution to revenue

Fixed Network Services

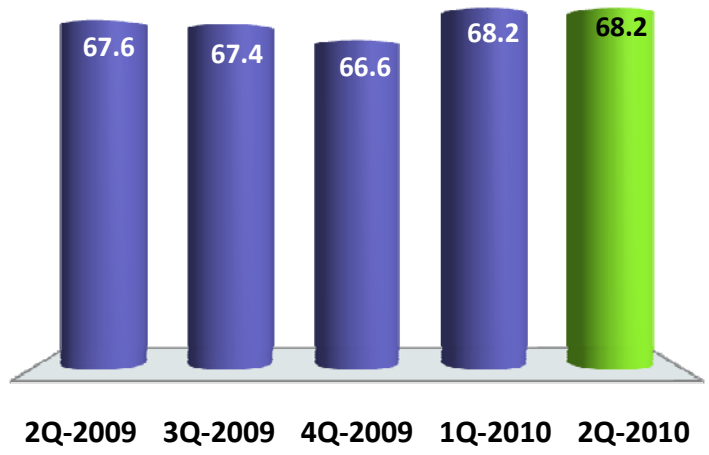
Fixed Network Revenue (S\$M)



Voice (S\$M)



Data & Internet (S\$M)





Outlook

Revenue: Maintain revenue growth at low single-digit range

EBITDA: Maintain EBITDA margin on service revenue to around 28%

CAPEX: Maintain cash capex to not exceed 14% percent
of operating revenue

Dividend: Maintain cash dividend payout at 5.0 cents per
ordinary share per quarter, totaling 20.0 cents for FY2010



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