

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, one above the other. To its right, there are two yellow arrowheads pointing left, one above the other.

StarHub 3Q & YTD-2018 Results

9 November 2018

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.



Peter K.
CEO



Dennis CHIA
CFO



3Q & YTD2018 Highlights



Financial Highlights



2018 Outlook

Overview

- **Growth in total revenue:** \$1,742 M (+1.1% YTD, -2.5% QoQ);
- **Solid service EBITDA margins:** 30.2% YTD;
- **Responsible Investment:** 10.9% as a % of total revenue YTD;
- **Steady NPAT: S\$185M** (-16.5% YTD, -7.5% QoQ);
- **NPAT:** 11.7% decline 3Q YoY vs 21.6% decline 2Q YoY;
- **Enterprise Fixed:** solid revenue growth of 17.6% YTD

Note:

QoQ = 3Q18 vs 2Q18

3Q YoY = 3Q18 vs 3Q17

2Q YoY = 2Q18 vs 2Q17

YTD = 9-mth ended 30 Sept '18 vs 9-mth ended 30 Sept '17

Key Financial Highlights

\$M	3Q-2018	3Q-2017	Change	YTD-2018	YTD-2017	Change
Total Revenue	582	565	3%	1,742	1,724	1%
Service Revenue	460	467	-2%	1,375	1,387	-1%
EBITDA	147	163	-10%	456	500	-9%
Service EBITDA [#]	132	150	-12%	415	464	-10%
Service EBITDA Margin	28.8%	32.2%	-3.4%pts	30.2%	33.4%	-3.2%pts
Taxation	(11)	(15)	-28%	(38)	(47)	-19%
Net Profit After Tax [^]	58	66	-12%	185	221	-16%
Capex Cash Payments	73	52	39%	189	201	-6%
% of Capex to Revenue	12.5	9.3	3.2%pts	10.9	11.6	-0.8%pts
FCF / Fully Diluted Shares	4.6¢	6.9¢	-34%	10.9¢	14.6¢	-26%
Net Debt to TTM EBITDA Ratio	1.22x	0.82x	0.39x	1.22x	0.82x	0.39x

[#] Service EBITDA = EBITDA less (Sales of Equipment – Cost of Equipment)

[^] NPAT, includes non-controlling interest (NCI)

• Numbers may not add up due to rounding / TTM = Trailing Twelve Months

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Revenue Contribution

Total Revenue	Quarter Ending 30 September				YTD Ending 30 September			
	2018	2017	Incr / (Decr)	Incr / (Decr)	2018	2017	Incr / (Decr)	Incr / (Decr)
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Mobile services	213.6	223.1	(9.5)	(4.2)	630.2	672.5	(42.3)	(6.3)
Pay TV services	74.6	86.8	(12.2)	(14.1)	240.0	265.4	(25.4)	(9.6)
Broadband services	46.8	46.4	0.4	0.8	140.1	139.7	0.5	0.3
Enterprise Fixed services	124.6	110.3	14.3	13.0	364.6	310.0	54.6	17.6
Total Service Revenue	459.6	466.7	(7.0)	(1.5)	1,374.9	1,387.5	(12.6)	(0.9)
Sales of Equipment	122.6	98.5	24.1	24.4	367.5	336.3	31.3	9.3
Total Revenue	582.2	565.2	17.0	3.0	1,742.5	1,723.8	18.7	1.1

• Numbers may not add up due to rounding

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Mobile & Pay TV (3Q-2018 vs 3Q-2017)

- Post-paid customer base increased 23k
- Post-paid ARPU decreased S\$4 to S\$44
- Post-paid average data usage at 5.9Gb



- ❖ Revenue decreased 14%
- ❖ ARPU decreased S\$4 to S\$47
- ❖ Customer base decreased 44k



Broadband & Enterprise Fixed (3Q-2018 vs 3Q-2017)

- Revenue increased 1%
- ARPU stable at S\$32
- Customer base increased by 7k

- Data & Internet revenue decreased 3%
- Managed services increased 78%
- Voice revenue decreased 13%



3Q & YTD2018 Highlights



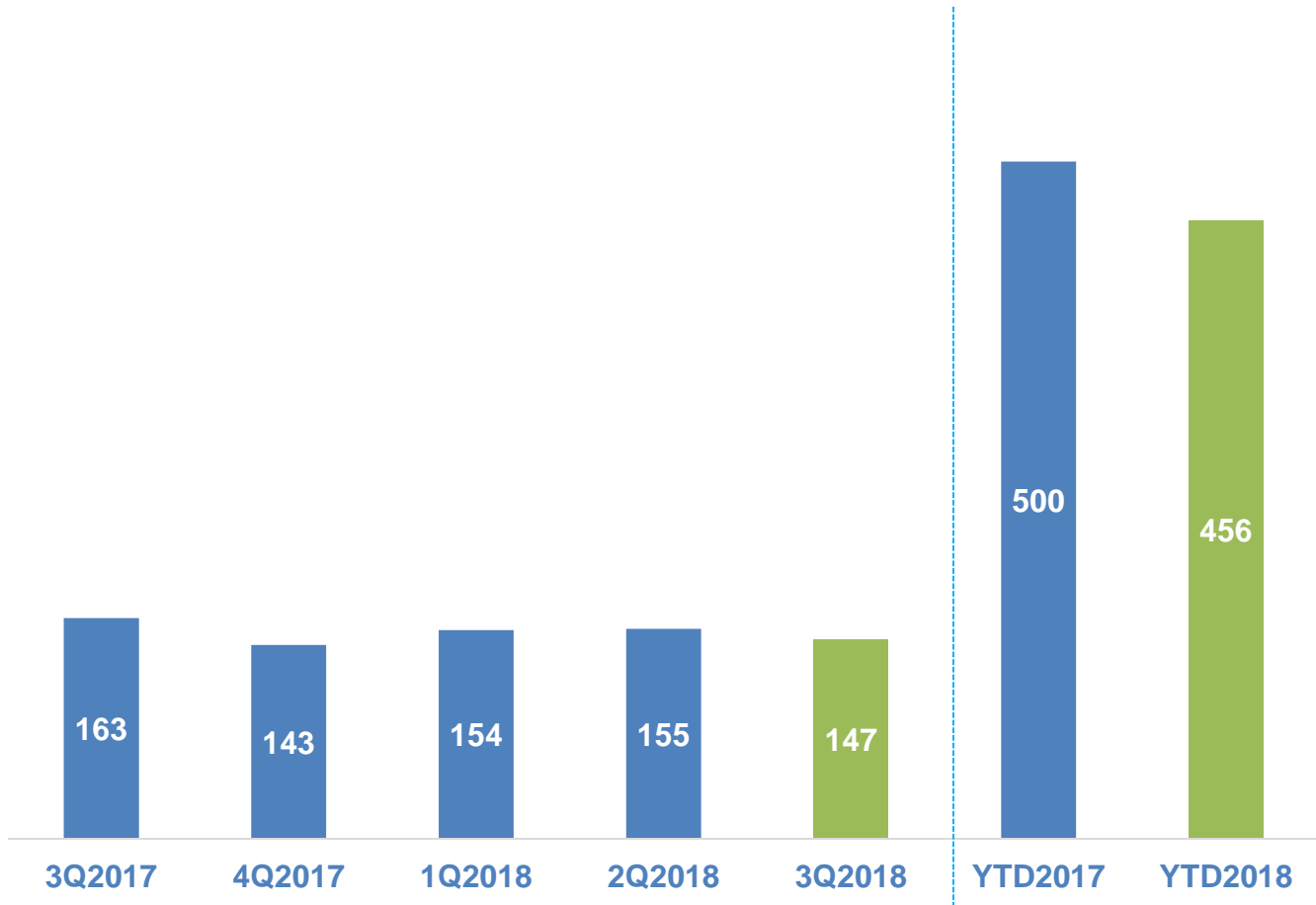
Financial Highlights



2018 Outlook

EBITDA

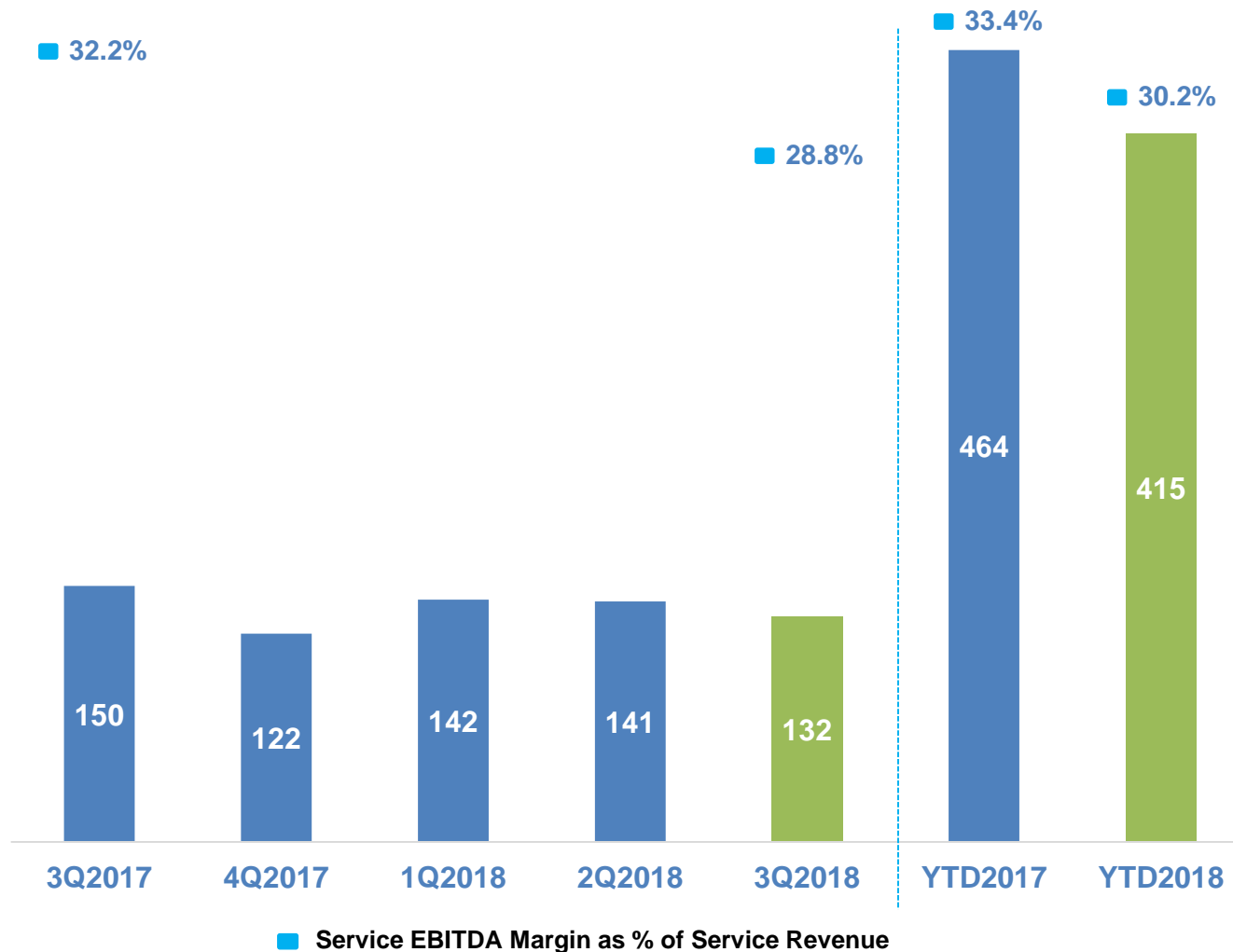
(S\$M)



* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Service EBITDA & Service EBITDA Margin

(S\$M)

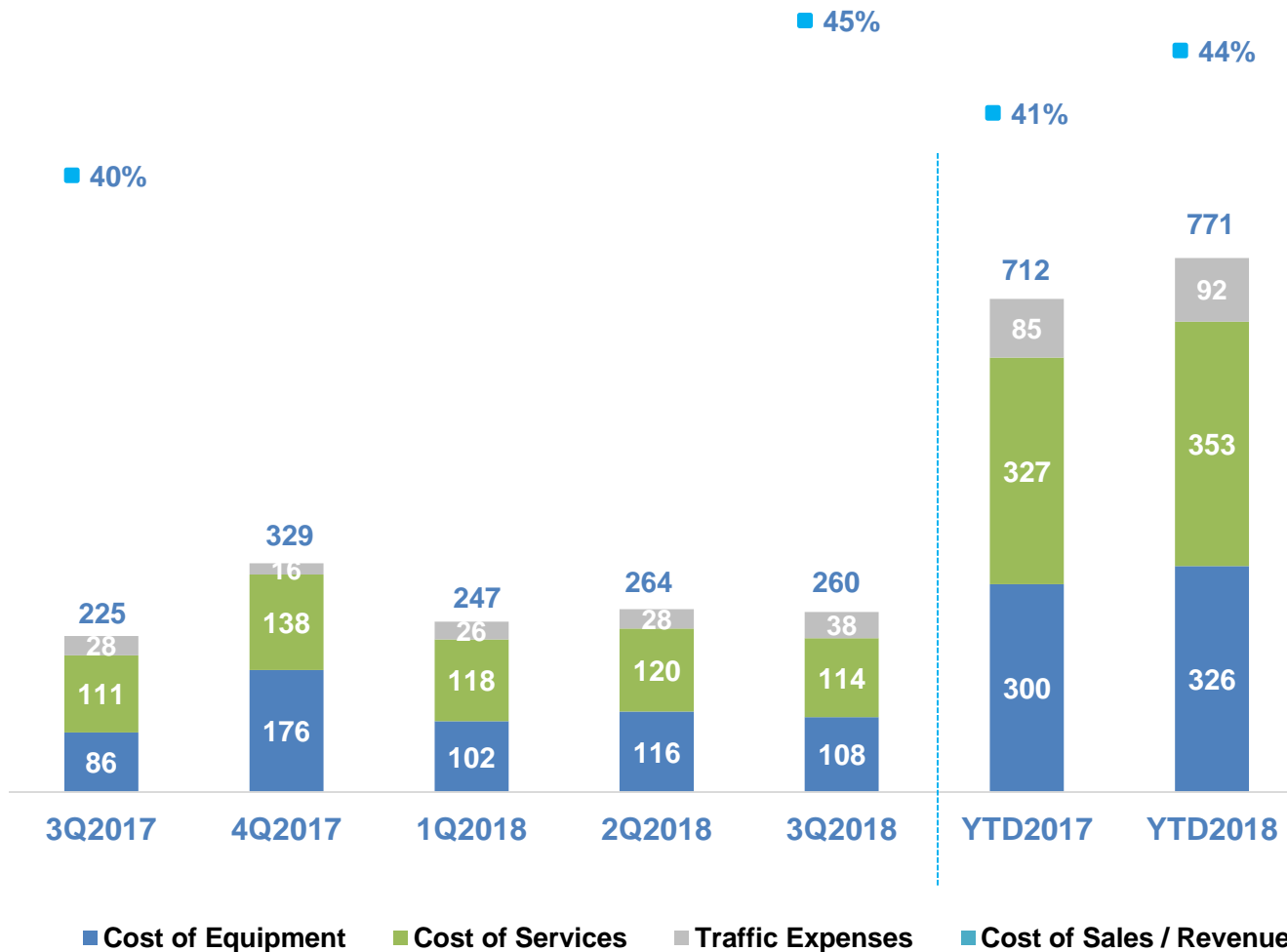


*Service EBITDA = EBITDA less (Sales of Equipment – Cost of Equipment)

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Cost Of Sales

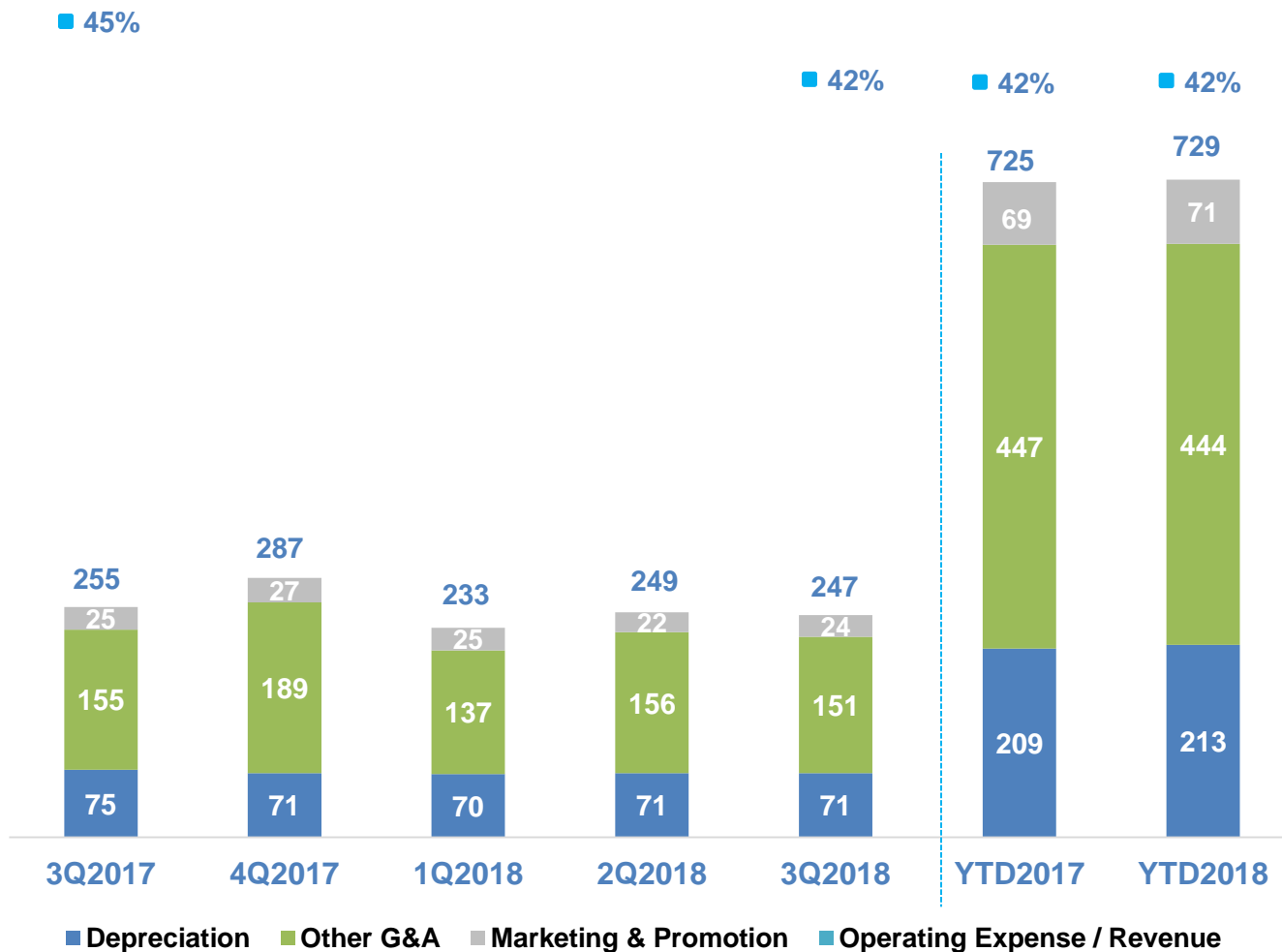
(S\$M)



* Numbers may not add up due to rounding.

Other Operating Expenses

(S\$M)

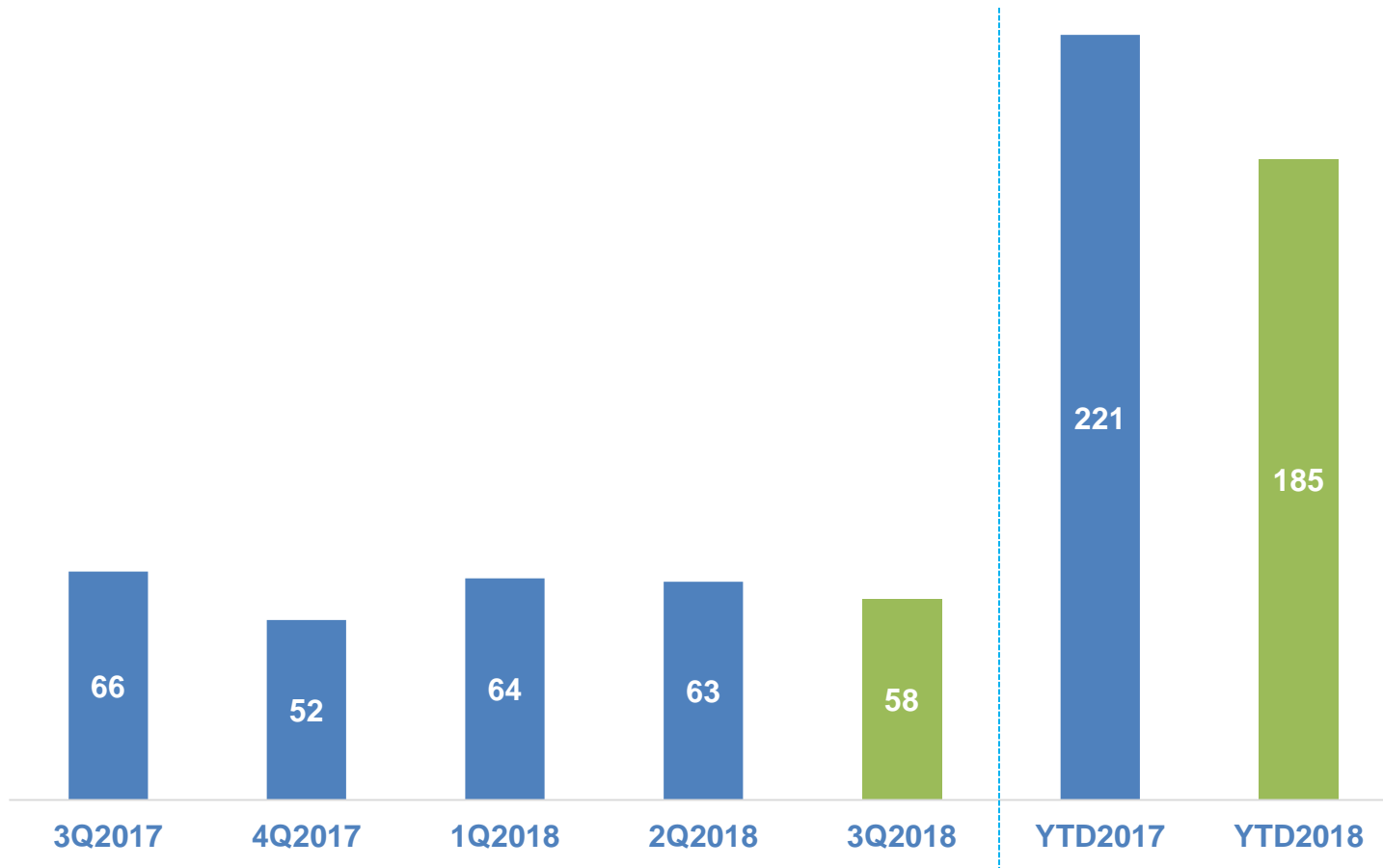


* Numbers may not add up due to rounding.

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Net Profit After Tax

(S\$M)

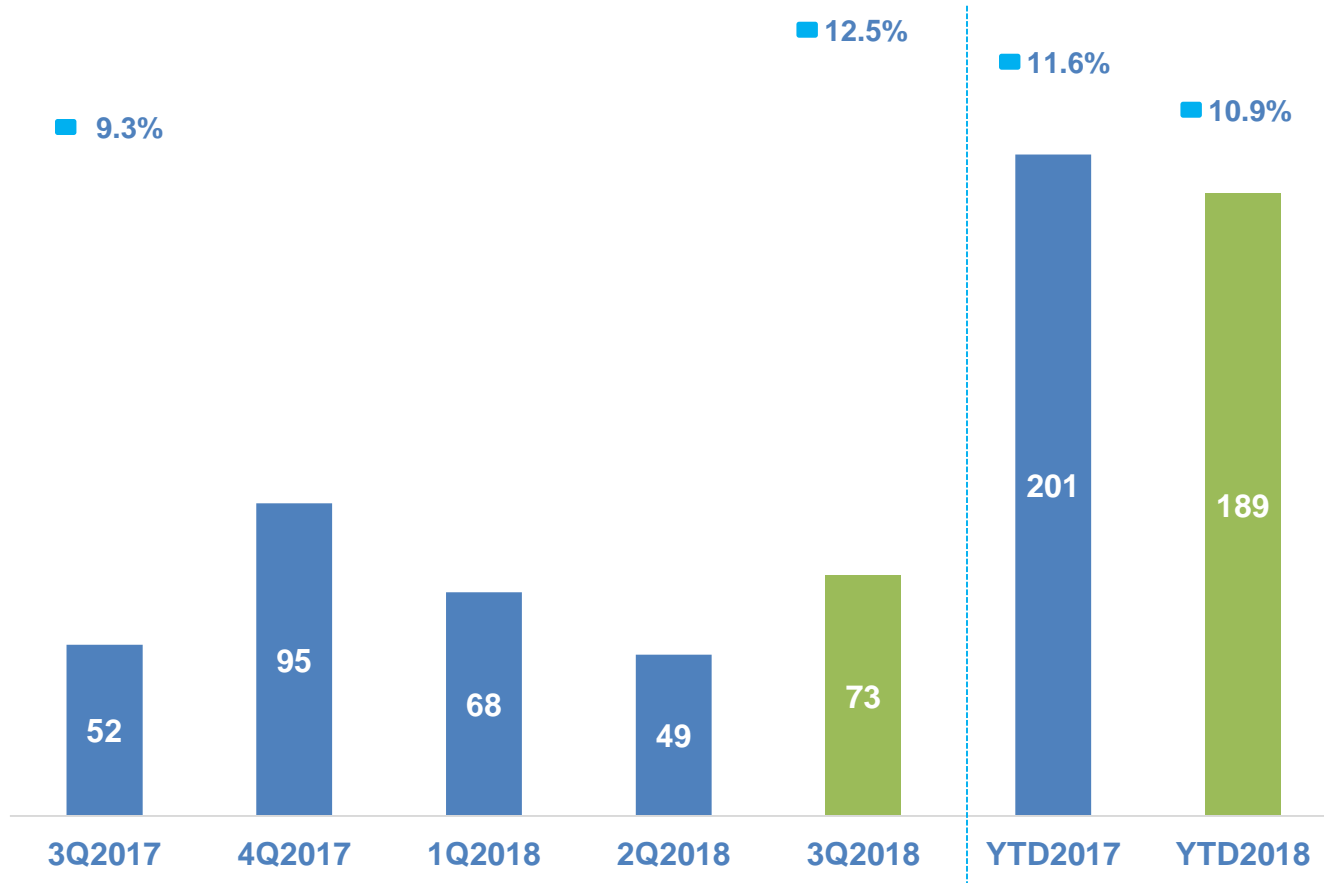


* Numbers may not add up due to rounding.

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Capex (cash payments)

(S\$M)



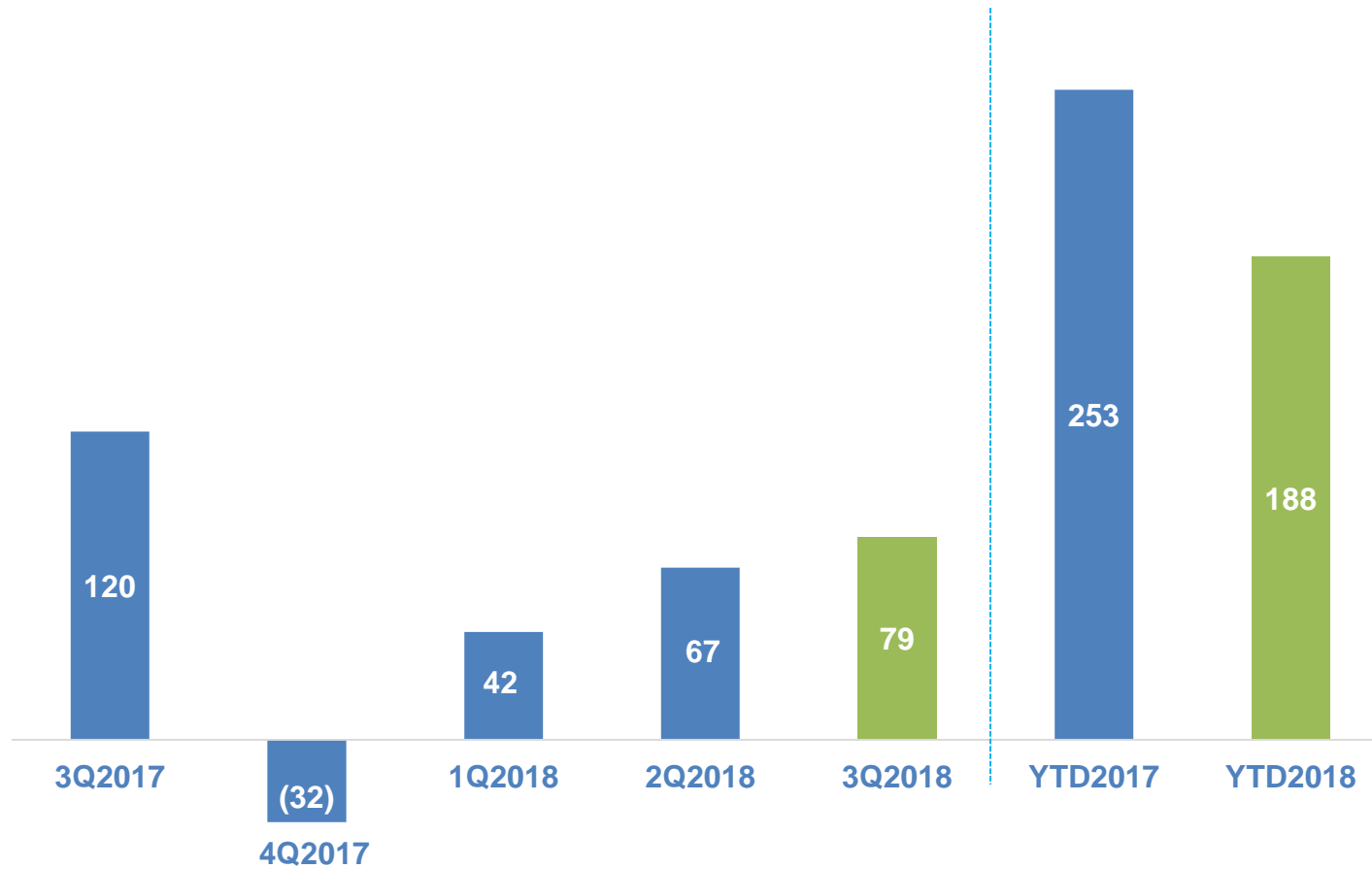
■ Capex / Revenue

* Numbers may not add up due to rounding.

* Comparatives have been restated to take into account the retrospective adjustments relating to SFRS(I) 15

Free Cash Flow

(S\$M)



* Numbers may not add up due to rounding.



3Q & YTD2018 Highlights



Financial Highlights



2018 Outlook

- **Revenue:** Maintain service revenue to be 1% to 3% lower YoY

- **Service EBITDA*:** Maintain service EBITDA margin to be between 27% to 29% after adoption of SFRS(I) 15

- **CAPEX:** Maintain cash capex to be about 11% of total revenue (excludes spectrum and building payments)

- **Dividend:** Declare an interim quarterly dividend of 4.0 cents per ordinary share for 3Q2018

Intend to pay a quarterly cash dividend of 4.0 cents per ordinary share for FY2018

*Service EBITDA refers to EBITDA less equipment margin (Sales of Equipment less Cost of Equipment)

Investor Relations Contact

For IR-related queries, please email or call:

Eric **LOH**

AVP, IR

DID: +65 6825 5171

ericloh@starhub.com / ir@starhub.com