Press Release

StarHub Reports 2010 Fourth Quarter and Full Year Results

- *Full Year Operating Revenue increased 4% to S$2.24 Billion*
- *EBITDA Margin improved to 31.5% in 4Q2010 and lifted FY2010 margin to 28.1%*
- *Recommends Final Dividend of 5 cents per share, totaling 20 cents per share for FY2010*

Singapore, 11 February 2011 – StarHub Ltd today announced its results for the fourth quarter and full year ended 31 December 2010.

Operating revenue for the quarter rose 2% to S$559.0 million compared to S$550.0 million year-on-year (YoY). The Group's EBITDA saw an increase of 12% to S$169.9 million. On a full year basis, operating revenue increased 4% to S$2,237.7 million while EBITDA was 8% lower at S$601.8 million from S$653.5 million previously. EBITDA margin as a percentage of service revenue was 31.5% for the quarter and 28.1% for the year.

In 4Q2010, profit from operations was S$99.7 million and net profit after tax was at S$80.4 million. Compared to a year ago, profit from operations increased 12% and net profit after tax increased 8%. On a full year basis, profit from operations was 16% lower while net profit after tax decreased 18%. Cash capital expenditure (capex) was at S$106.8 million for the quarter or 88% higher compared to a year ago. On a full year basis, it was 18% higher. The higher capex spent was for our subsidiary, Nucleus Connect, and our new customer relationship management (CRM) and billing systems.

Business Highlights

Total service revenue for both the quarter and the full year periods recorded 3% and 4% growth respectively. Both Mobile and Fixed Networks services contributed to the bulk of the service revenue increase. YoY, ***Mobile*** revenue grew 8% for the quarter as well as on a full year basis. Post-paid mobile services revenue was 10% higher at S$237.2 million for the quarter and S$917.4 million for the full year. Pre-paid mobile

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services revenue grew 2% YoY to S$65.5 million for the quarter. It was also 2% higher for the full year. Comparing a year ago, post-paid ARPU increased S$2 to S$74 for the quarter and S$72 for the full year. Looking at pre-paid ARPU, it decreased S$3 and S$2 YoY for the quarter and full year periods respectively.

Pay TV revenue decreased 11% YoY to S$91.8 million for the quarter and on a full year basis, was lower by 2%. This was attributed to the lower subscription revenue from the sports group following the reduction in monthly subscription price from S$25 to S$12 in June 2010. YoY, Pay TV ARPU decreased S$7 to S$48 for the quarter. For the full year, it decreased S$4 to S$52. Customer base remained stable, ending the year at 538,000.

Broadband revenue remained stable at S$59.0 million compared to a year ago. For the full year, revenue was S$4.5 million lower. The residential broadband customer base grew 6% YoY, ending the quarter with 422,000 customers. The higher subscriber mix on lower speed price plans and promotional discounts offered to drive take up of home hubbing packs resulted in lowering the overall Broadband ARPU in the current year. We saw a S$3 ARPU decrease YoY to S$46 for the quarter. On a full year basis, ARPU was down S$4 to S$47. The average monthly churn for the quarter was stable at 1.1%.

Fixed Network revenue increased 8% to S$85.0 million YoY for the quarter. For the full year, it increased 4%. Data & Internet services revenue, which makes up 83% of the Fixed Network revenue, increased 6% YoY for the quarter. On a full year basis, it was 3% higher. Voice services revenue increased 18% to S$14.4 million YoY for the quarter mainly due to the higher IDD usage and higher interconnect revenue from international carriers. It was 10% higher for the full year.

Hubbing households with three services increased by 6,000 to 200,000 from the previous year. This was the result of our Hubbing promotions for our mobile, broadband and pay TV services yielding more success for the quarter.

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“We are happy to have achieved this set of results despite the uncertainties and challenges faced in 2010. We continued our Hubbing leadership by delivering two or more services to some 440,000 households, allowing them to enjoy the most comprehensive suite of branded quality content and services across our multi-service platforms,” said Mr Neil Montefiore, CEO, StarHub. “With our investments in the new CRM system, we will bring the total customer experience to the next level.”

Outlook for FY2011

Based on the current outlook, we expect Group operating revenue for 2011 to grow in the single digit range and Group EBITDA margin as a percentage of service revenue to be about 30%. The total capex payments in 2011 are expected not to exceed 13% of operating revenue. In view of the projected profitability and cash flow in 2011, we expect to maintain the cash dividend payout at 5 cents per ordinary share per quarter.

For more details on the Group's performance for FY2010 and the outlook for FY2011, please visit www.starhub.com/ir. Materials available at this website include the audio conference link, investor presentation and unaudited results for the quarter and full year ended 31 December 2010.

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About StarHub
StarHub is Singapore's fully-integrated info-communication company, offering a full range of information, communications and entertainment services for both consumer and corporate markets. StarHub operates Singapore's fastest two-way HSPA+ mobile network that delivers up to 21Mbps for downlink to complement its nation-wide GSM network, and an island-wide HFC network that delivers multi-channel cable TV services (including High Definition Television and on-demand services) as well as ultra-high speed residential broadband services. StarHub also 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 along with a host of advanced media-rich value-added services.

Launched in 2000, StarHub has become one of Singapore's 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 and the MCSI Singapore Free Index.

For all enquiries, please contact:
Jeannie Ong
Head, Corporate Communications & Investor Relations
StarHub
Office: (65) 6825 5168
Fax: (65) 6721 5015
Email: jeannieo@starhub.com

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