StarHub 4Q & FY2009 Results

4 February 2010

Management Team



TAN Tong Hai
COO



Neil MONTEFIORE
CEO



KWEK Buck Chye
CFO

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.

Overview (FY-2009 vs FY-2008)

➢ Financial:

- ➢ Revenue increased 1%
- ➢ EBITDA increased 1%

➢ Operational:

Strengths:

- ➢ Revenue growth: Mobile Pre-paid & Fixed Networks Data Services
- ➢ Maintained low churn rates for Pay TV & Broadband services

Competitive environment :

- ➢ Increased costs of content
- ➢ More intense competition

Key Financial Highlights

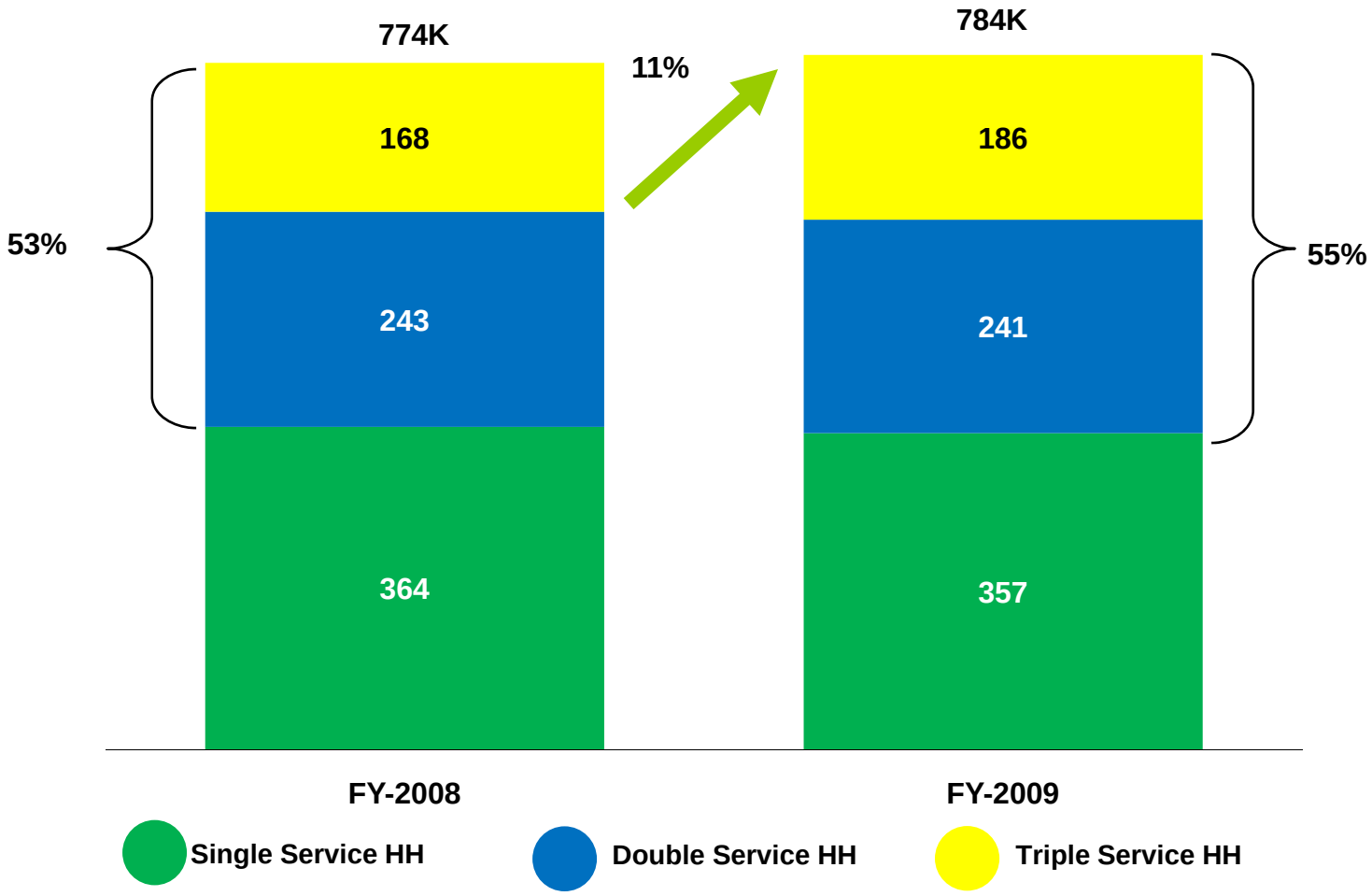
S$ million	4Q-2009	4Q-2008	Change	FY-2009	FY-2008	Change
Total Revenue	**550**	537	3%	**2,150**	2,128	1%
Service Revenue	**521**	515	1%	**2,058**	2,030	1%
EBITDA	**152**	165	-8%	**654**	644	1%
EBITDA Margin	**29.2%**	32.1%	(2.9)% pts	**31.8%**	31.7%	0.1% pts
Taxation	**(9)**	(12)	19%	**(66)**	(72)	8%
Net Profit After Tax	**74**	87	-15%	**320**	311	3%
Earnings Per Share (Diluted)	**4.31¢**	5.09¢	-15%	**18.58¢**	18.16¢	2%
Capex Cash Payments	**57**	55	-4%	**231**	220	-5%
% of Capex to Revenue	**10**	10	0% pts	**11**	10	(1)% pts
FCF / Fully Diluted Share	**4.78¢**	4.76¢	0%	**26.79¢**	22.04¢	22%
Net Debt to EBITDA ratio	**1.01x**	1.22x	0.21x	**1.01x**	1.22x	0.21x

Business Expansion (FY-2009 vs FY-2008)

Line of Business	Service Revenue	Customer Base
Mobile (51% of revenue mix)	1% Pre-paid (6%) Post-paid (0%)	9% Pre-paid (12%) Post-paid (5%)
Pay TV (19% of revenue mix)	2%	3%
Cable Broadband (11% of revenue mix)	(5)%	7%
Fixed Network Services (15% of revenue mix)	6% Data & Internet (9%) Voice (-9%)	

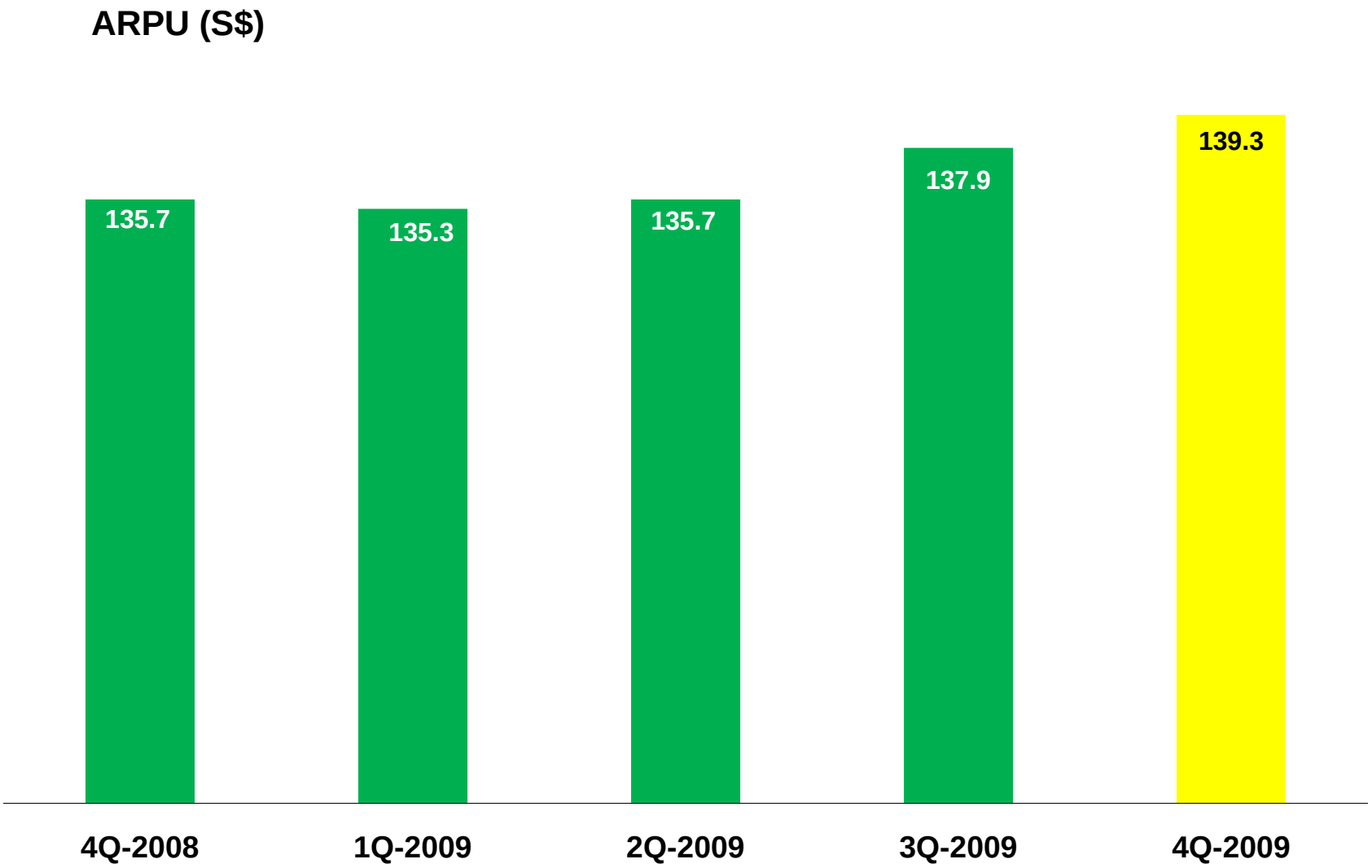
Hubbing Scorecard

Expanding Hubbing Households ('000)



Note: Numbers may not add up due to rounding.

Total Households ARPU



Financial Overview

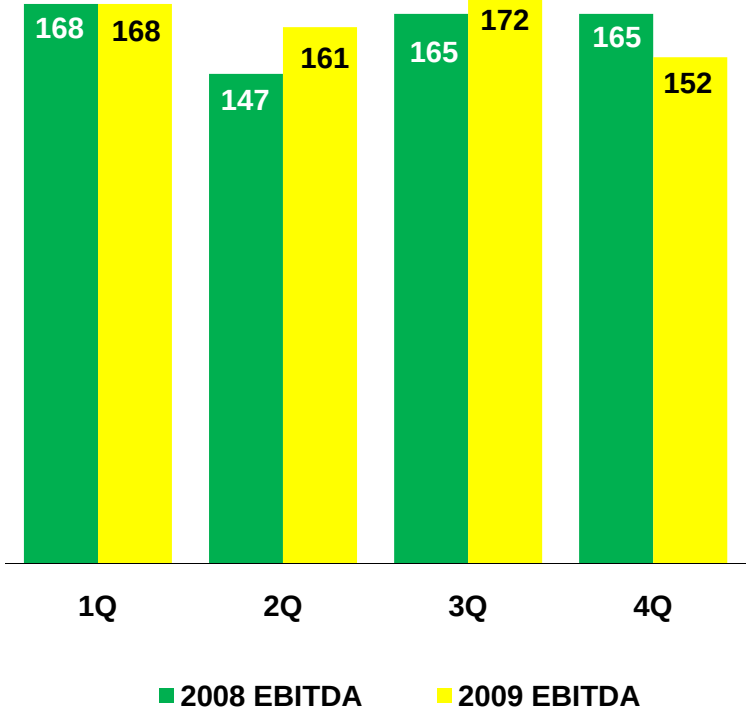
Business Overview

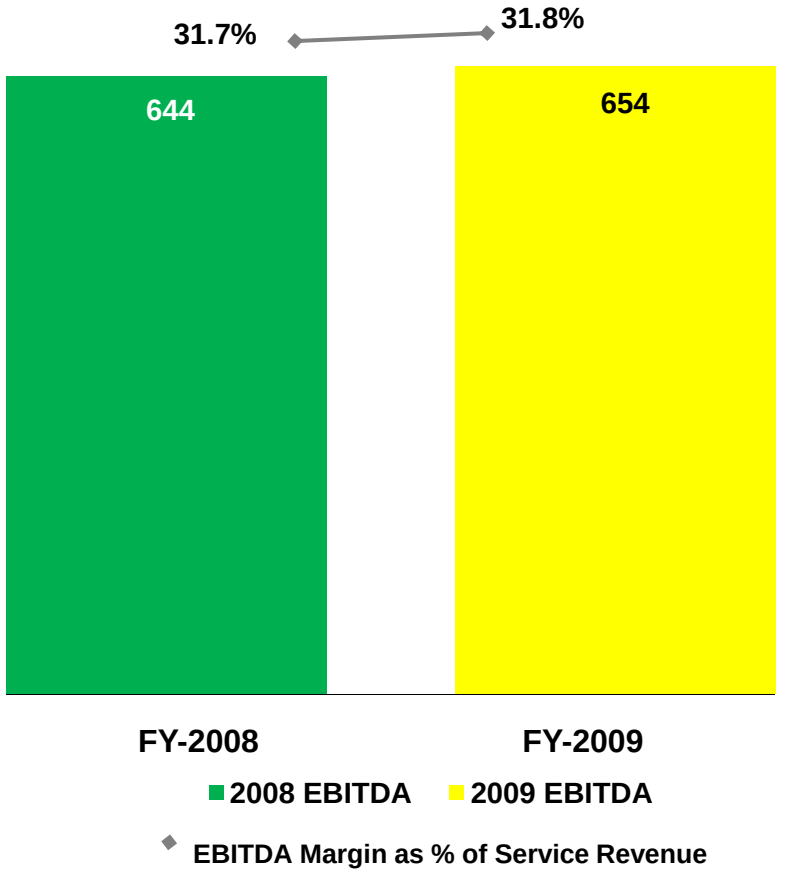
Outlook

EBITDA & EBITDA Margin

EBITDA

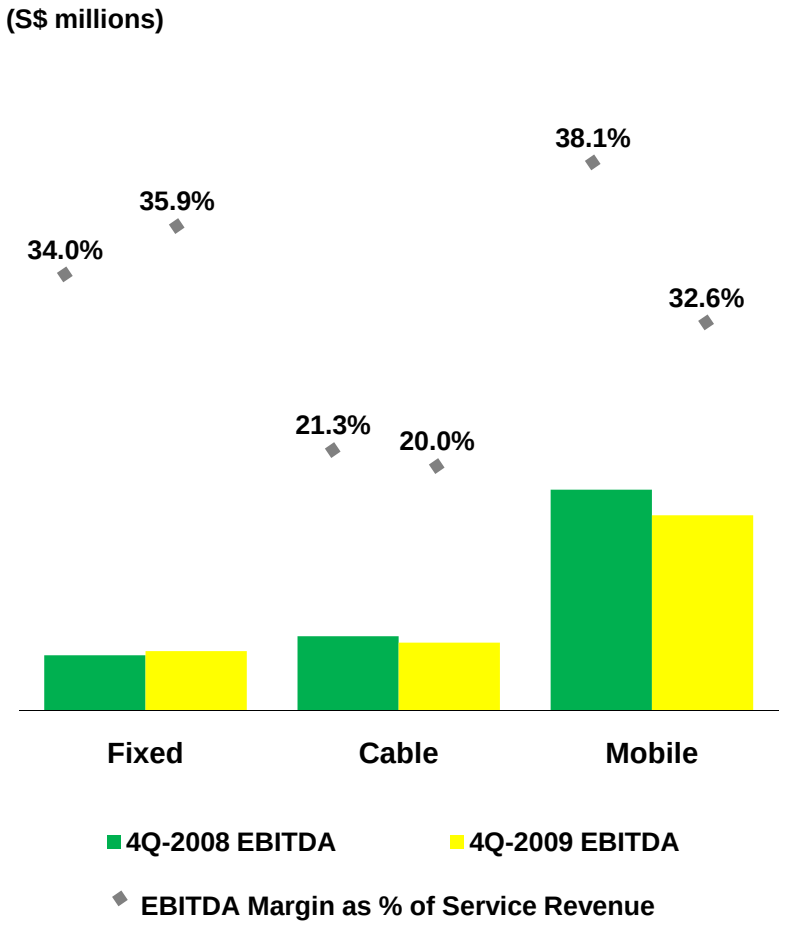
(S$ millions)



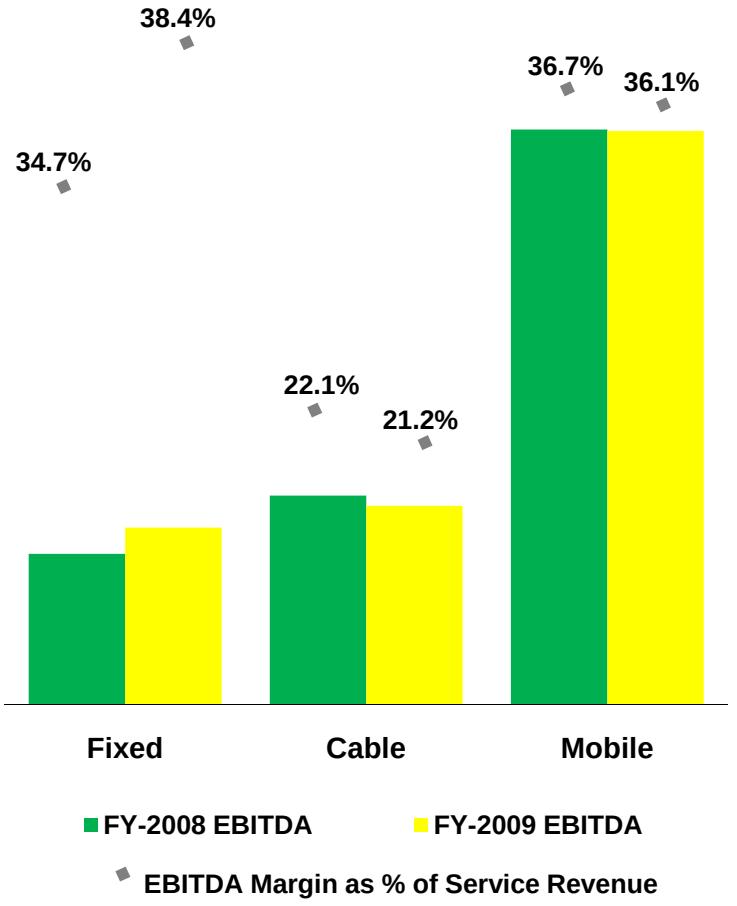


EBITDA & EBITDA Margin By Service Platforms

Quarter

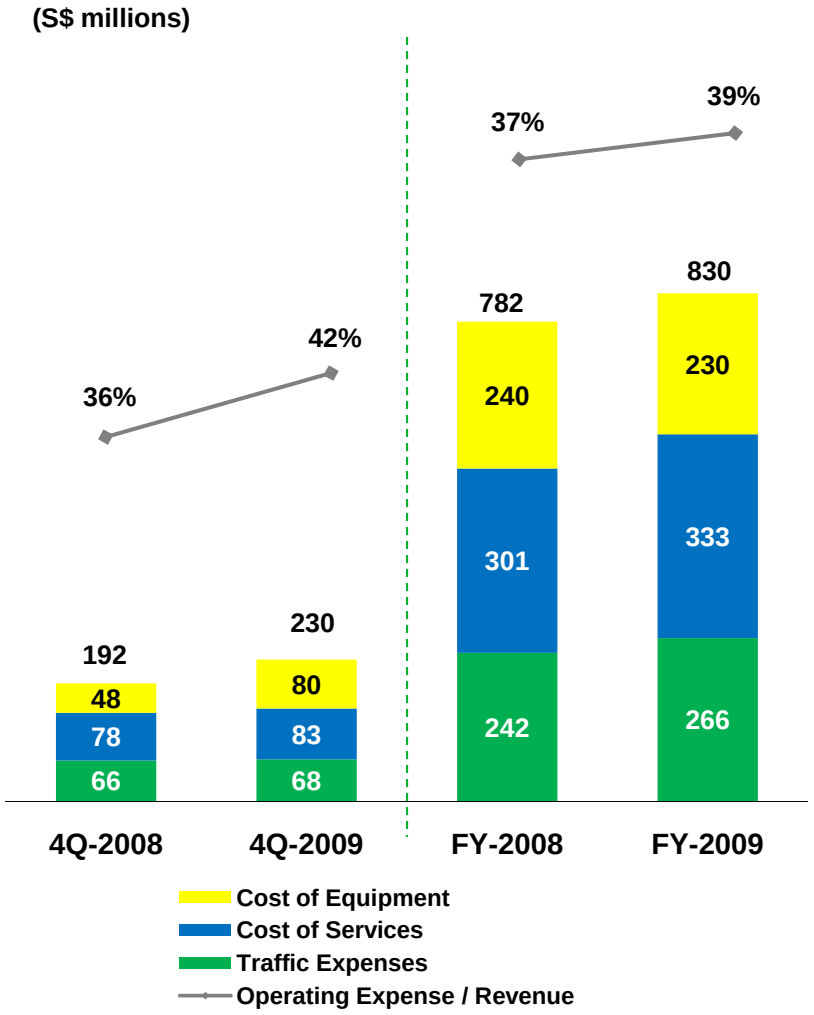


Full Year

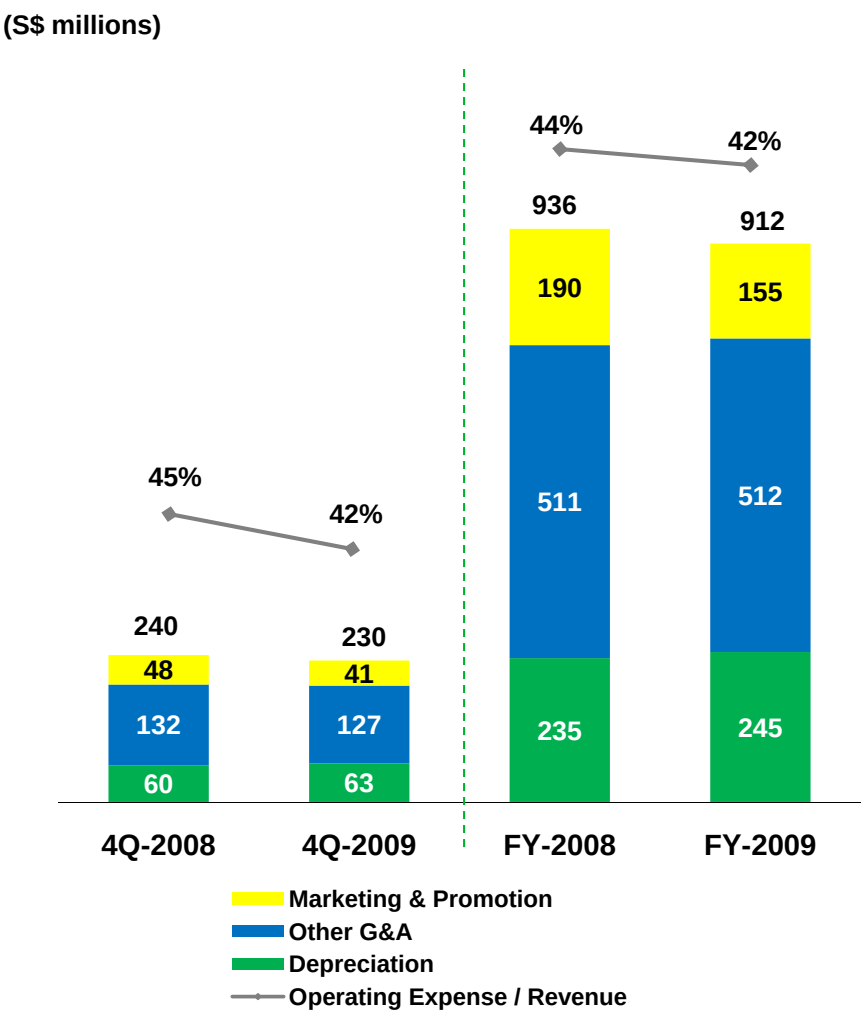


Operating Efficiencies

Cost of Sales



Other Operating Expenses

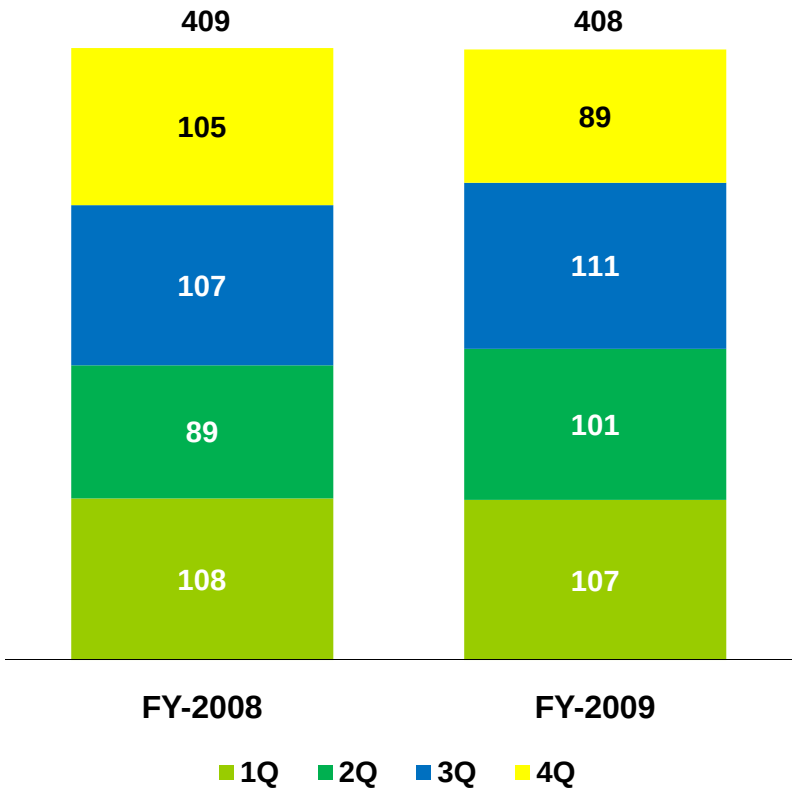


Note: Numbers may not add up due to rounding.

Profitability

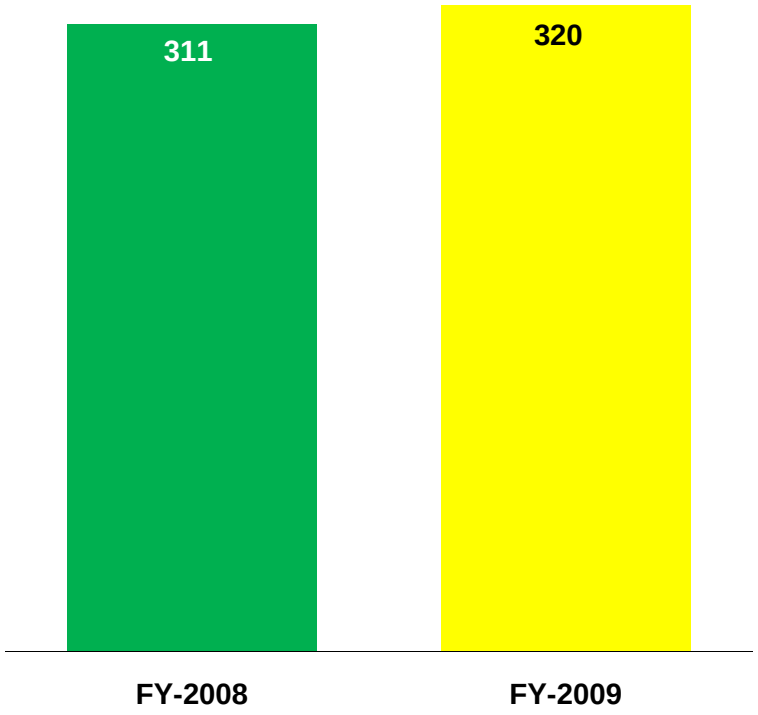
Profit from Operations

(S$ millions)



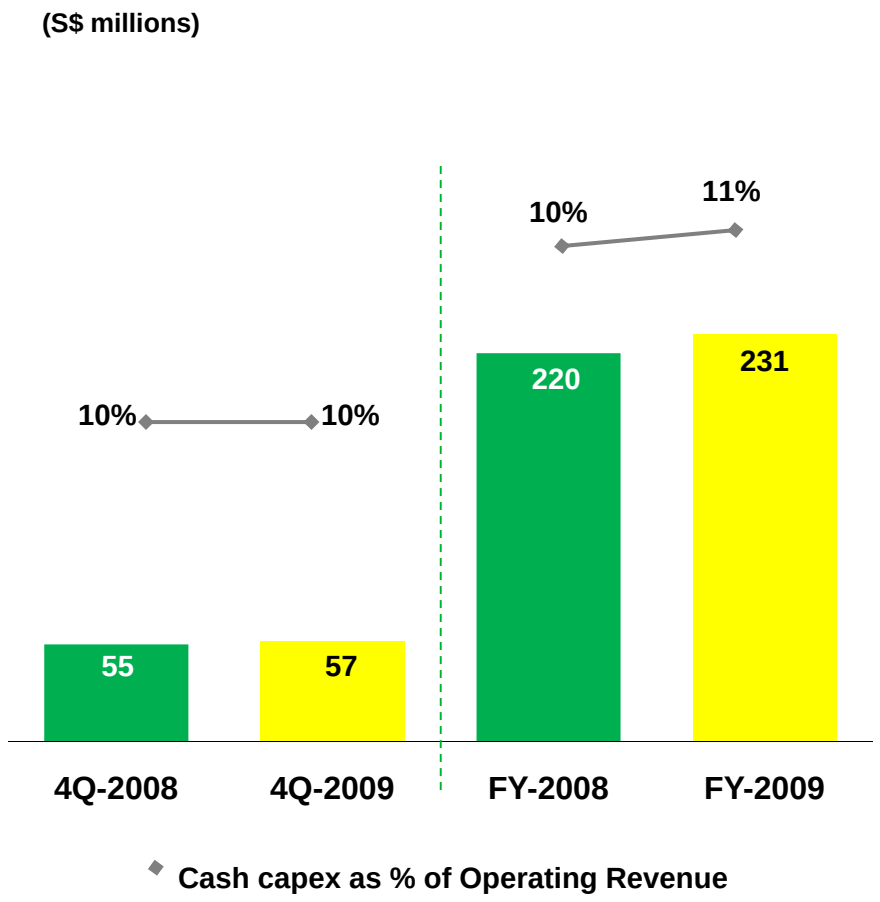
Net Profit After Tax

(S$ millions)

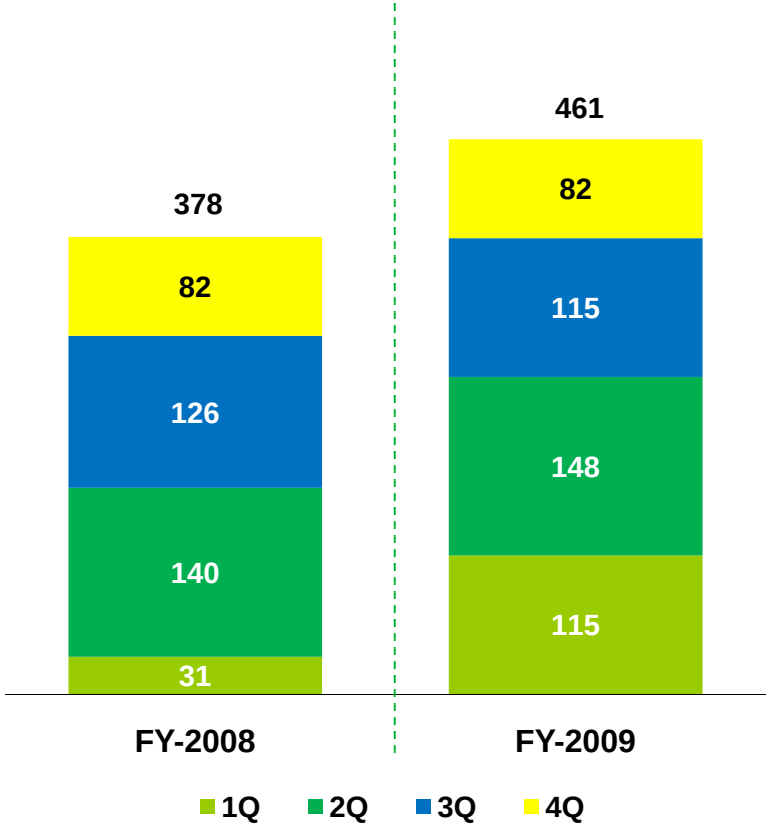


Capex & Free Cash Flow

Capex (cash payments)



Free Cash Flow



Note: Numbers may not add up due to rounding.

Financial Overview

Business Overview - Mobile

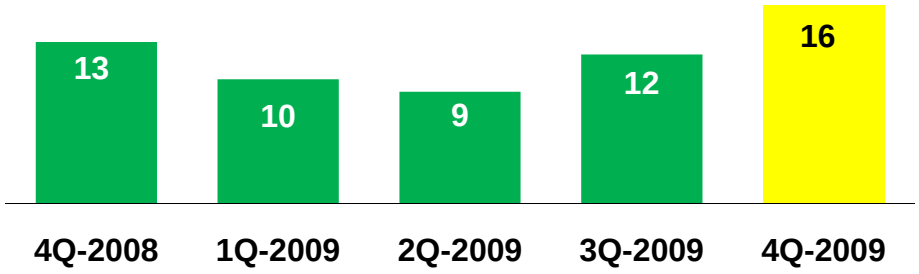
Outlook

Mobile – Highlights (FY-2009 vs FY-2008)

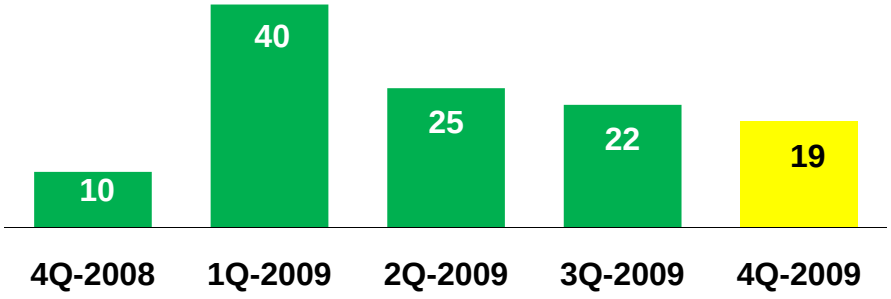
- Pre-paid revenue increased 6%
- Pre-paid customer base grew 12%
- Post-paid revenue stable

Mobile Net Adds

Post-paid Net Adds ('000)

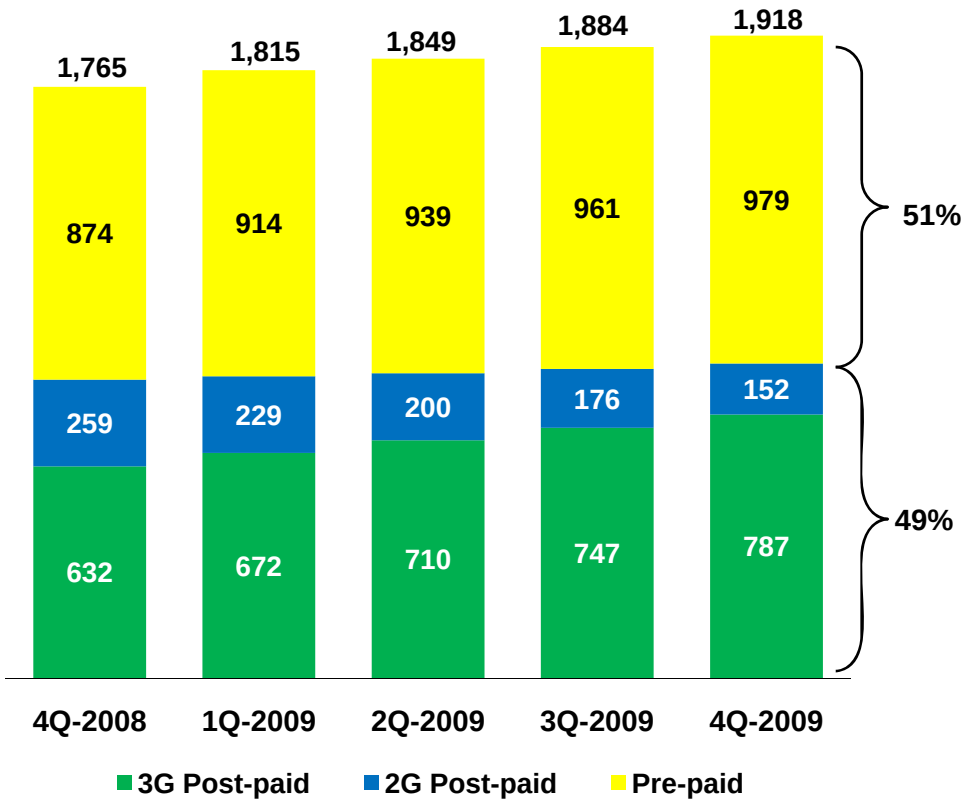


Pre-paid Net Adds ('000)

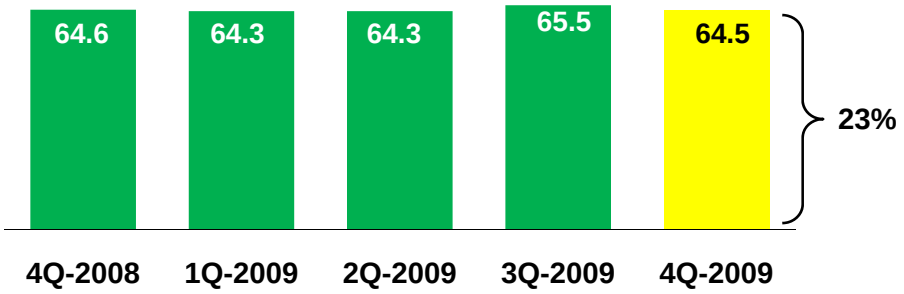


Mobile

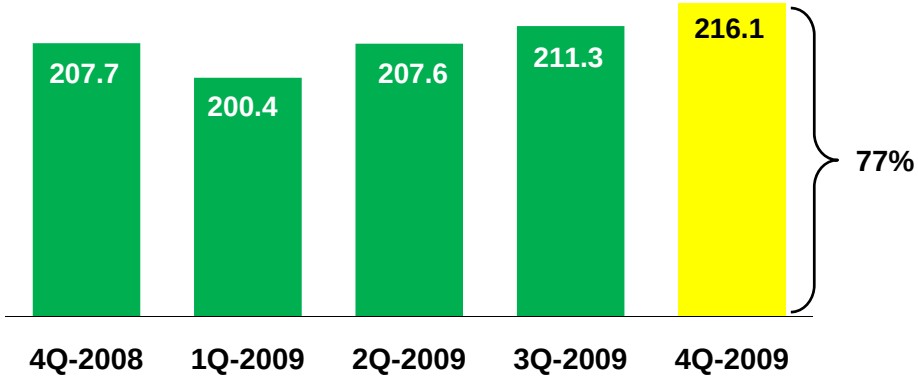
Customers ('000)



Pre-paid Revenue (S$M)



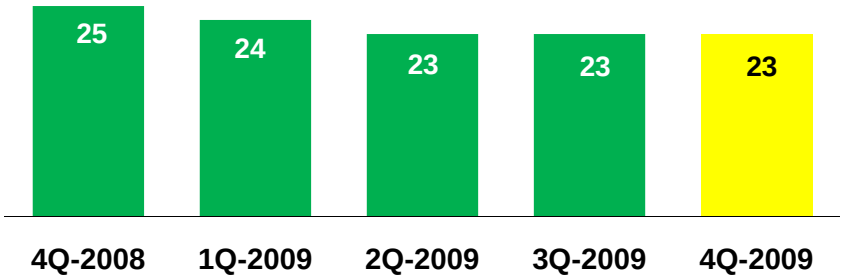
Post-paid Revenue (S$M)



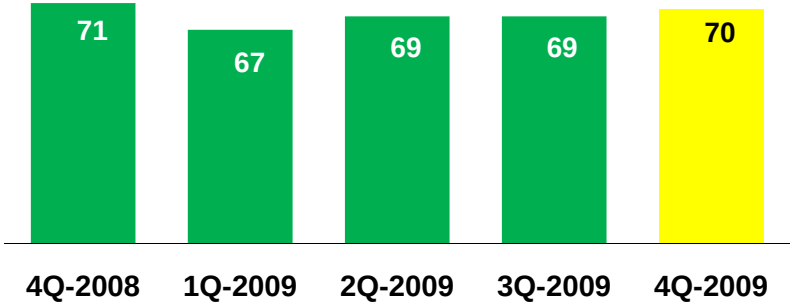
Note: Numbers may not add up due to rounding.

Mobile ARPU & Non-Voice Services

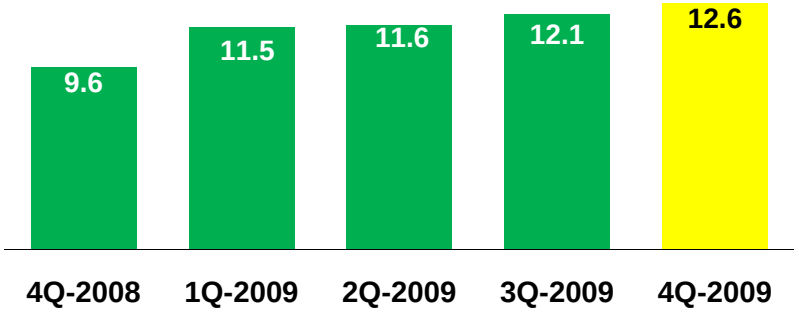
Pre-paid ARPU (S$ per month)



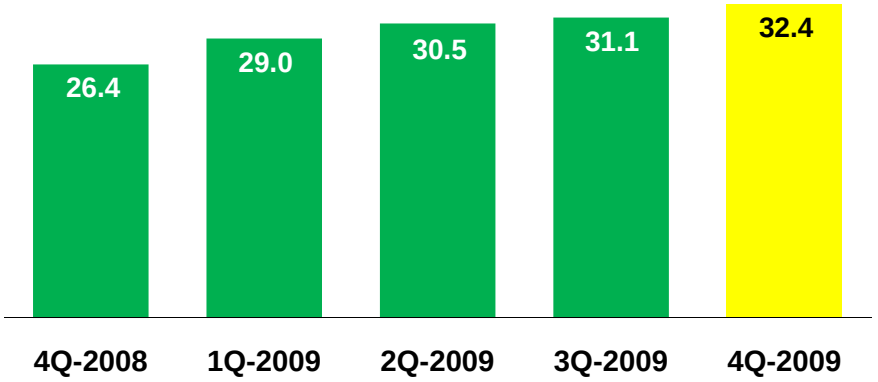
Post-paid ARPU (S$ per month)



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



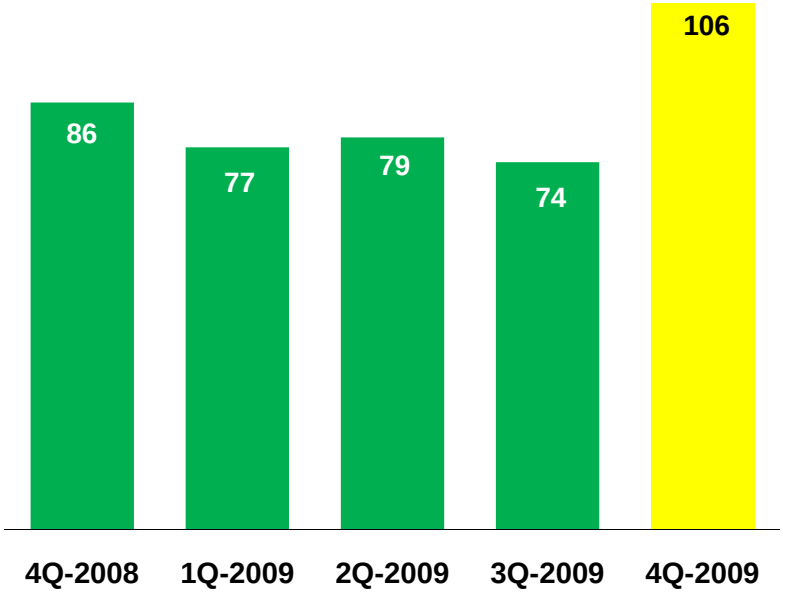
Post-paid non-voice services (% of ARPU)



Mobile Acquisition Costs & Churn Trend

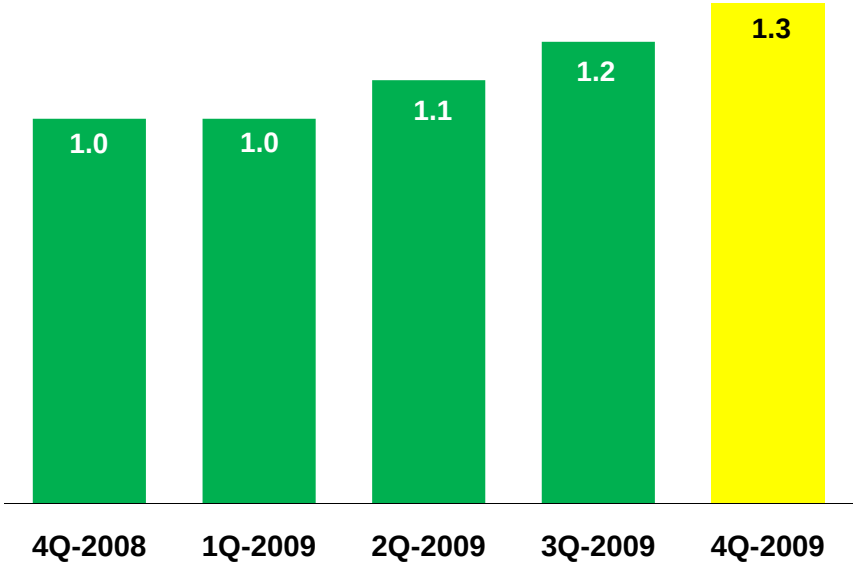
Average Acquisition Costs

Per Gross Connection (S$)



Monthly Churn Rate (Post-paid)

(%)



Financial Overview

Business Overview – Pay TV

Outlook

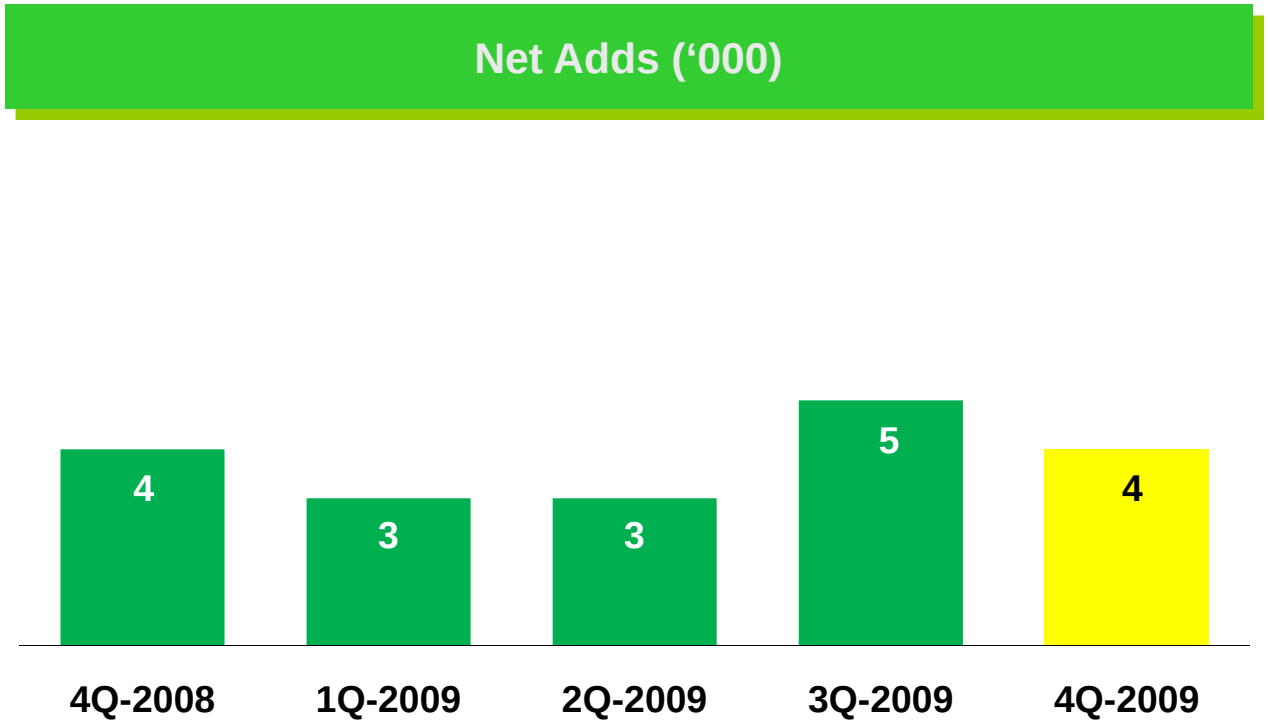
Pay TV – Highlights (FY-2009 vs FY-2008)

Revenue increased 2%

ARPU decreased S$1 to S$56

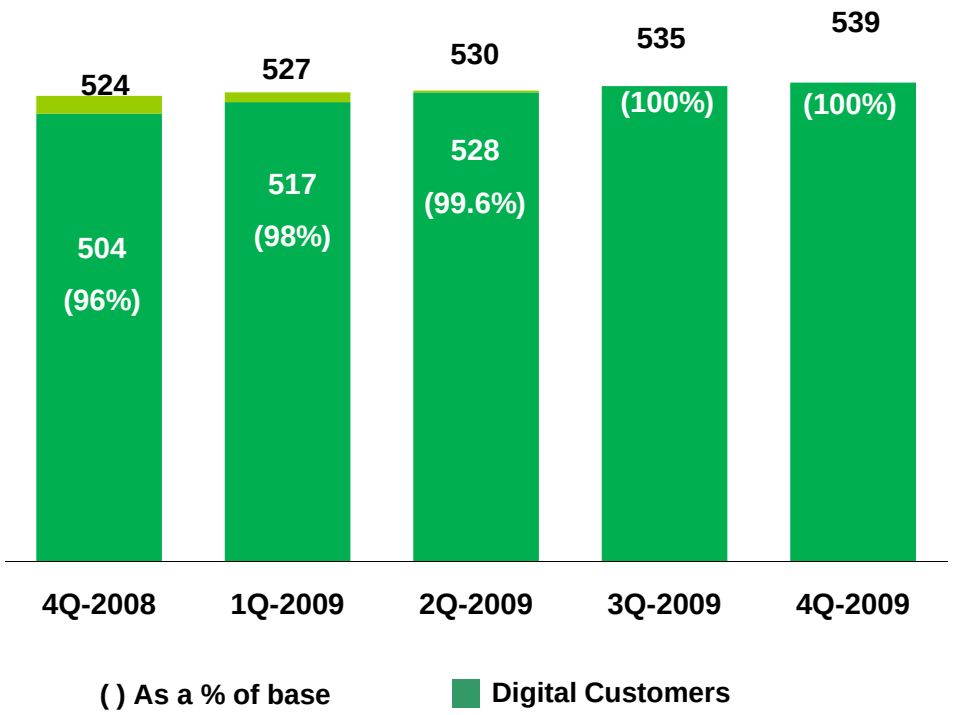
Net customer additions of 15k (3% growth)

Pay TV Net Adds

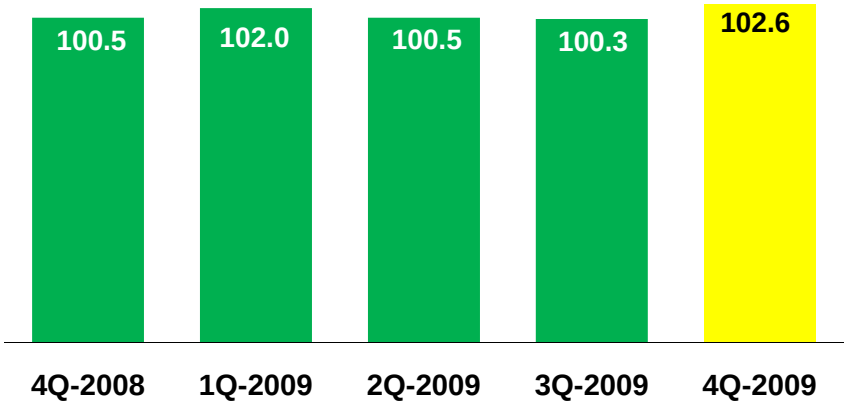


Pay TV

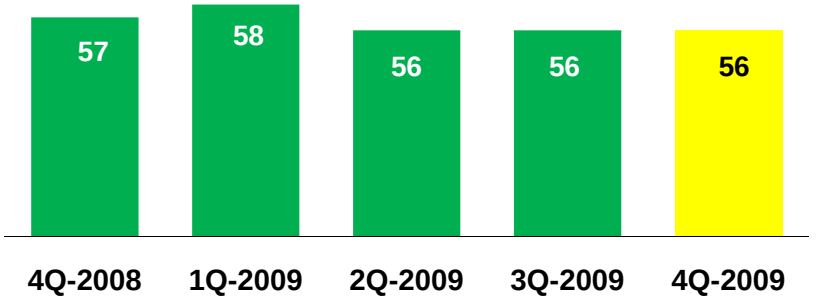
Pay TV Customers ('000)



Pay TV Revenue (S$M)

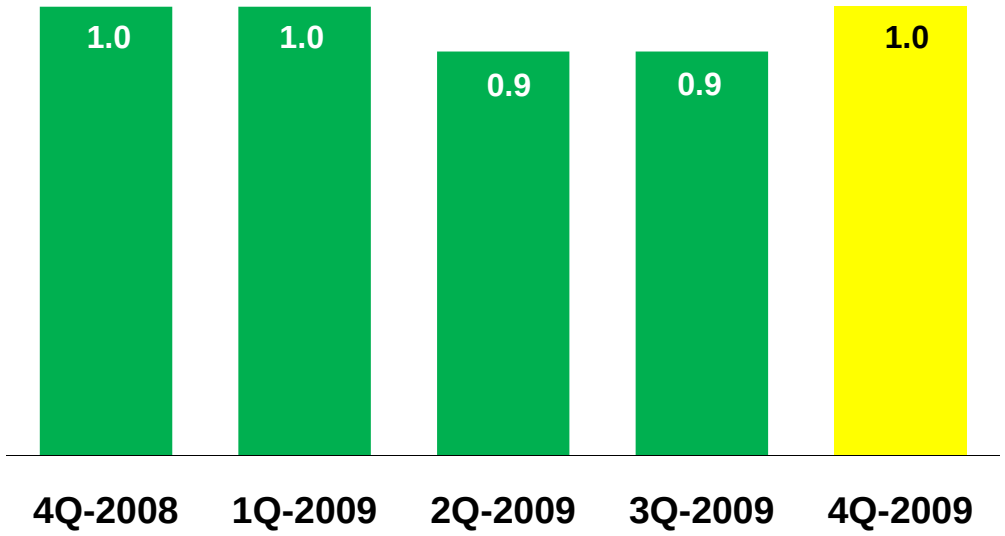


Pay TV ARPU (S$ per month)



Pay TV Churn

Average Monthly Churn Rate (%)



Financial Overview

Business Overview - Broadband

Outlook

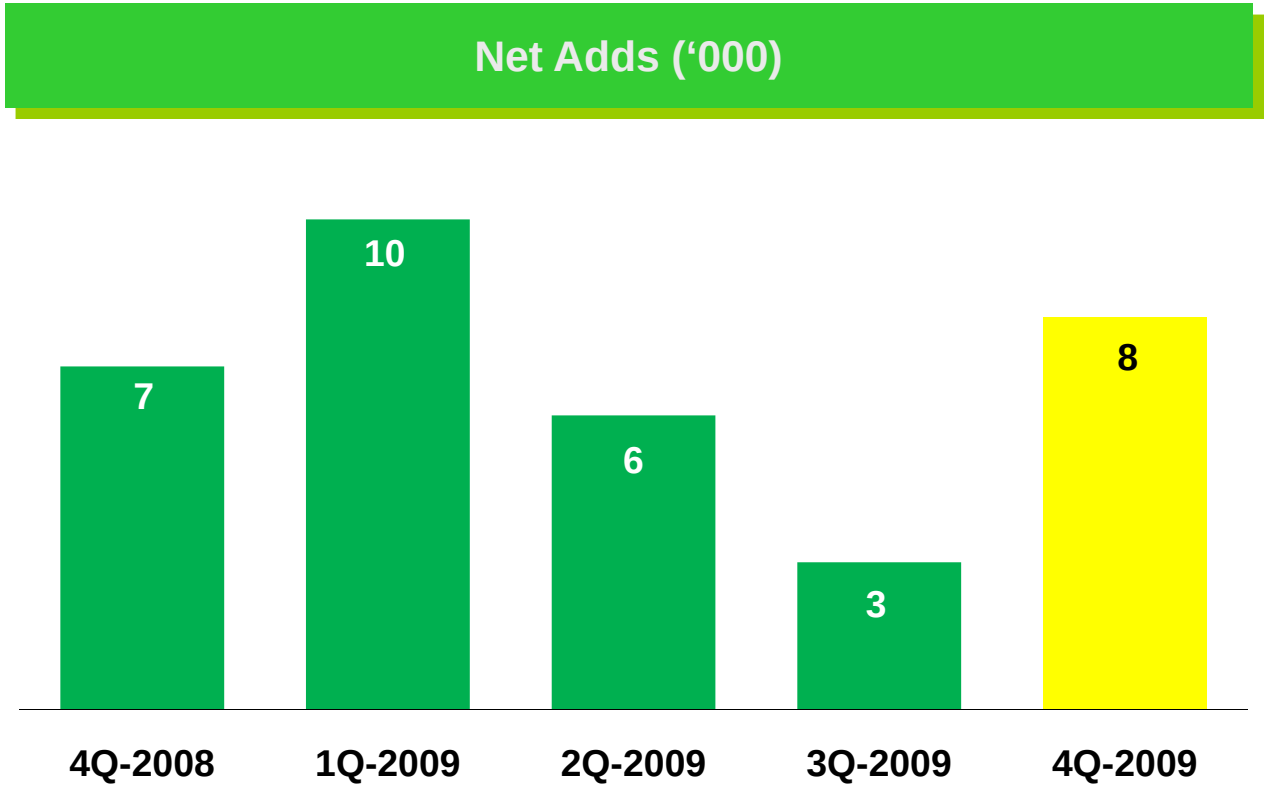
Broadband – Highlights (FY-2009 vs FY-2008)

Revenue decreased 5%

ARPU decreased by S$7 to S$51

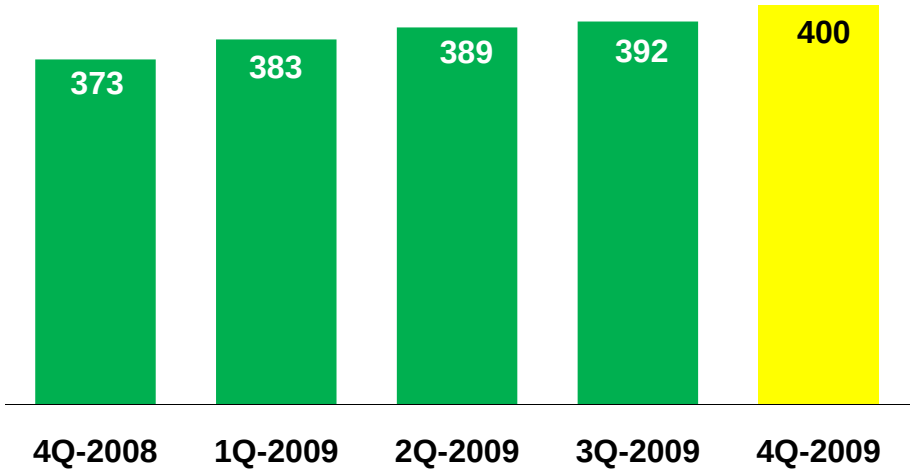
Net customer additions of 27K (7% growth)

Residential Broadband Net Adds

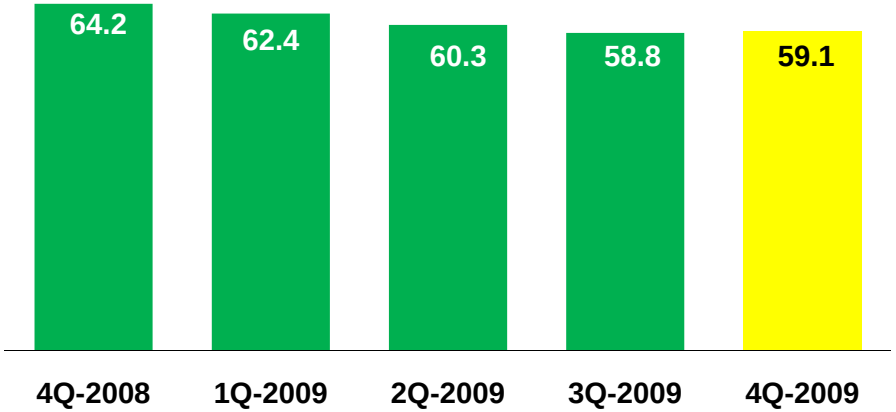


Residential Broadband

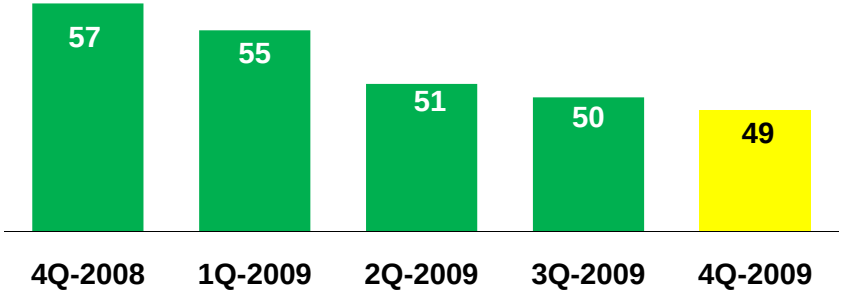
Broadband Customers ('000)



Broadband Revenue (S$M)

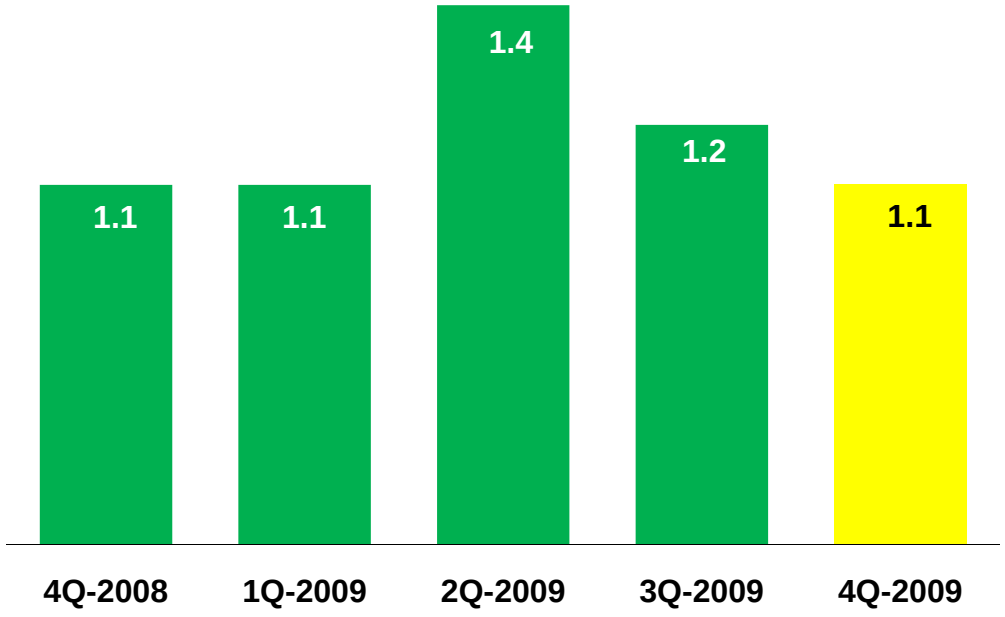


Broadband ARPU (S$)



Residential Broadband Churn

Average Monthly Churn Rate (%)



Financial Overview

Business Overview – Fixed Network Services

Outlook

Fixed Network Services – Highlights (FY-2009 vs FY-2008)

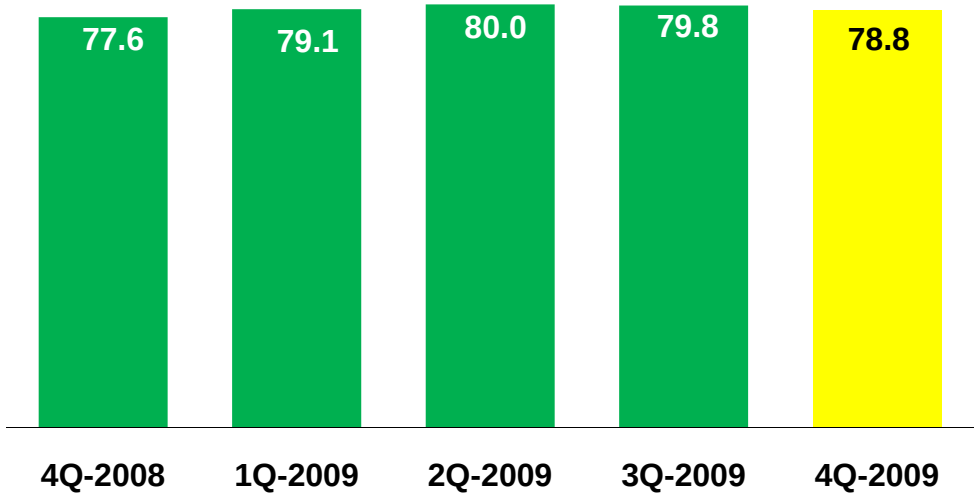
Revenue increased 6%

Data & Internet revenue improved by 9%

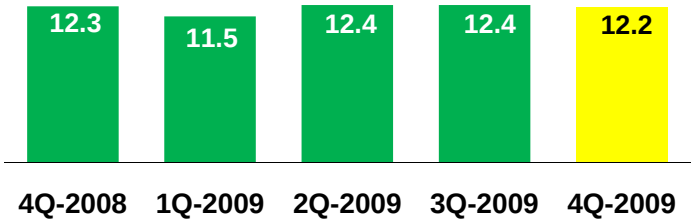
Data & Internet services contribute 85% of revenue

Fixed Network Services

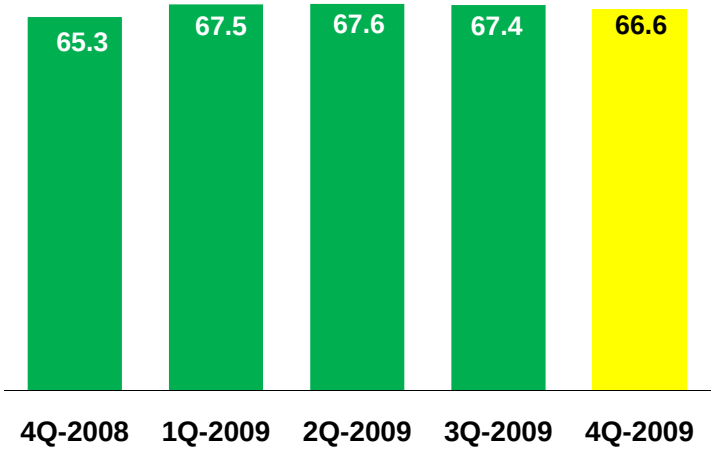
Fixed Network Revenue (S$M)



Voice (S$M)



Data & Internet (S$M)



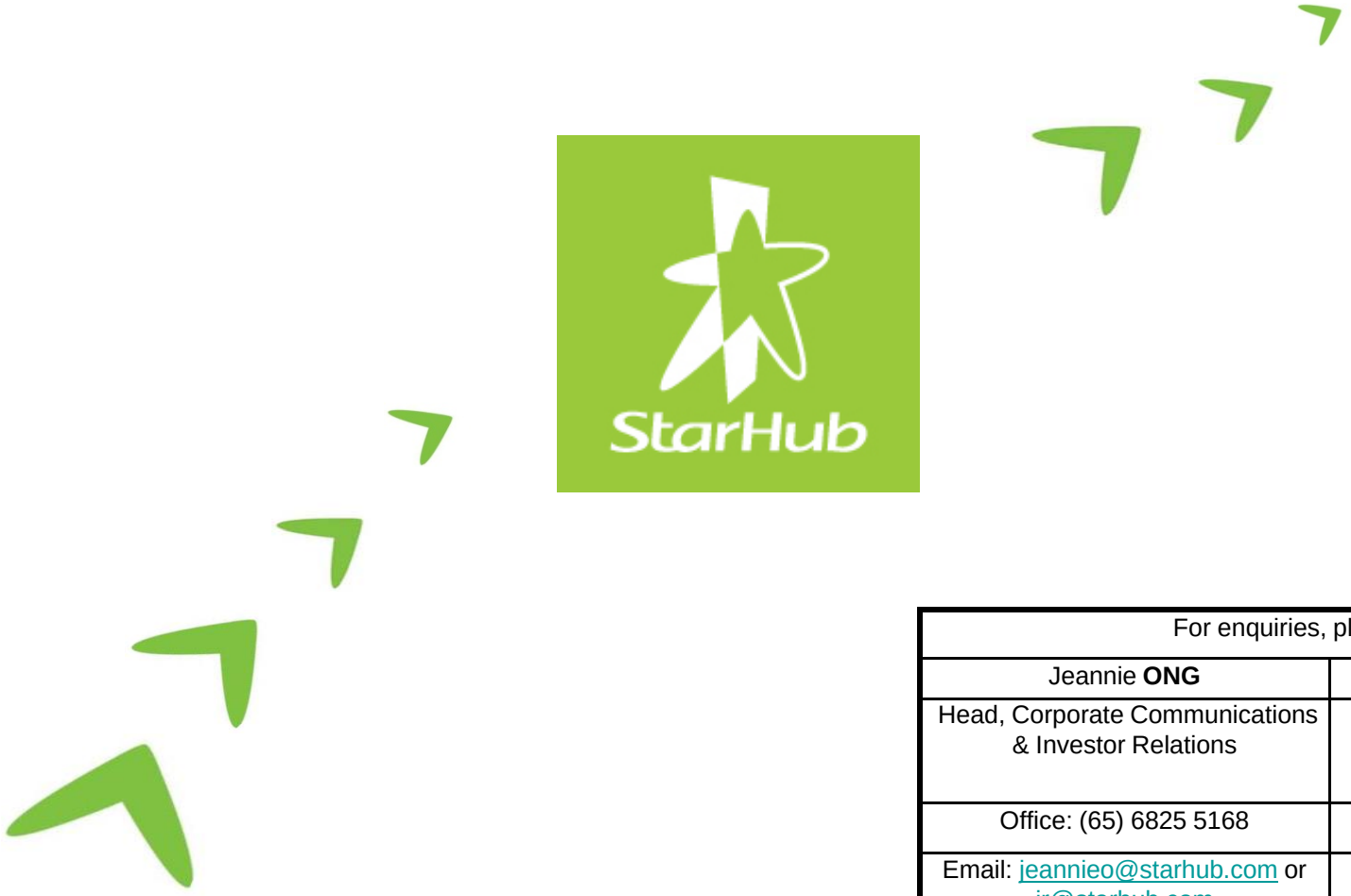
Financial Overview

Business Overview

Outlook

FY2010 Outlook

Revenue:	Revenue growth in the low single-digit range
EBITDA:	EBITDA margin on service revenue to be around 30%
CAPEX:	As a percent of operating revenue, cash capex to not exceed 14%
Dividend:	Recommend 4Q-2009 final dividend of 5.0 cents per share Intend to pay a minimum annual cash dividend for FY 2010 at 5.0 cents per ordinary share per quarter, totaling 20.0 cents for the full year



For enquiries, please contact:	
Jeannie **ONG**	Eric **LOH**
Head, Corporate Communications & Investor Relations	Senior Manager, Investor Relations
Office: (65) 6825 5168	Office: (65) 6825 5171
Email: jeannieo@starhub.com or ir@starhub.com	Email: ericloh@starhub.com or ir@starhub.com