1H15 Results Presentation

20 July 2015

Forward looking statements – Important note

This presentation and the following discussion may contain forward looking statements by M1 Limited ("M1") relating to financial trends for future periods

Some of the statements contained in this presentation or arising from this discussion which are not of historical facts are statements of future expectations with respect to financial conditions, results of operations and businesses, and related plans and objectives. Such forward looking statements are based on M1's current views and assumptions including, but not limited to, prevailing economic and market conditions and currently available information. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of M1. In particular, such statements should not be regarded as a forecast or projection of future performance of M1. It should be noted that the actual performance or achievements of M1 may vary significantly from such statements.

Overview

Financial highlights for 1H15

- Operating revenue increased 19.1% YoY to S$571.7m
- EBITDA margin improved YoY to 40.9% of service revenue
- Net profit after tax increased 3.8% YoY to S$90.0m

Performance highlights for 2Q15

- Mobile customer base increased 13,000 QoQ to 1.88m
- Customer acquisition cost decreased QoQ to S$342
- Mobile data was 44.9% of service revenue for 2Q15
  - 72% of postpaid customers on tiered data plans
  - 23% exceeded data bundle
- Fibre customer base grew to 114,000

Dividend

- Interim dividend of 7.0 cents per share

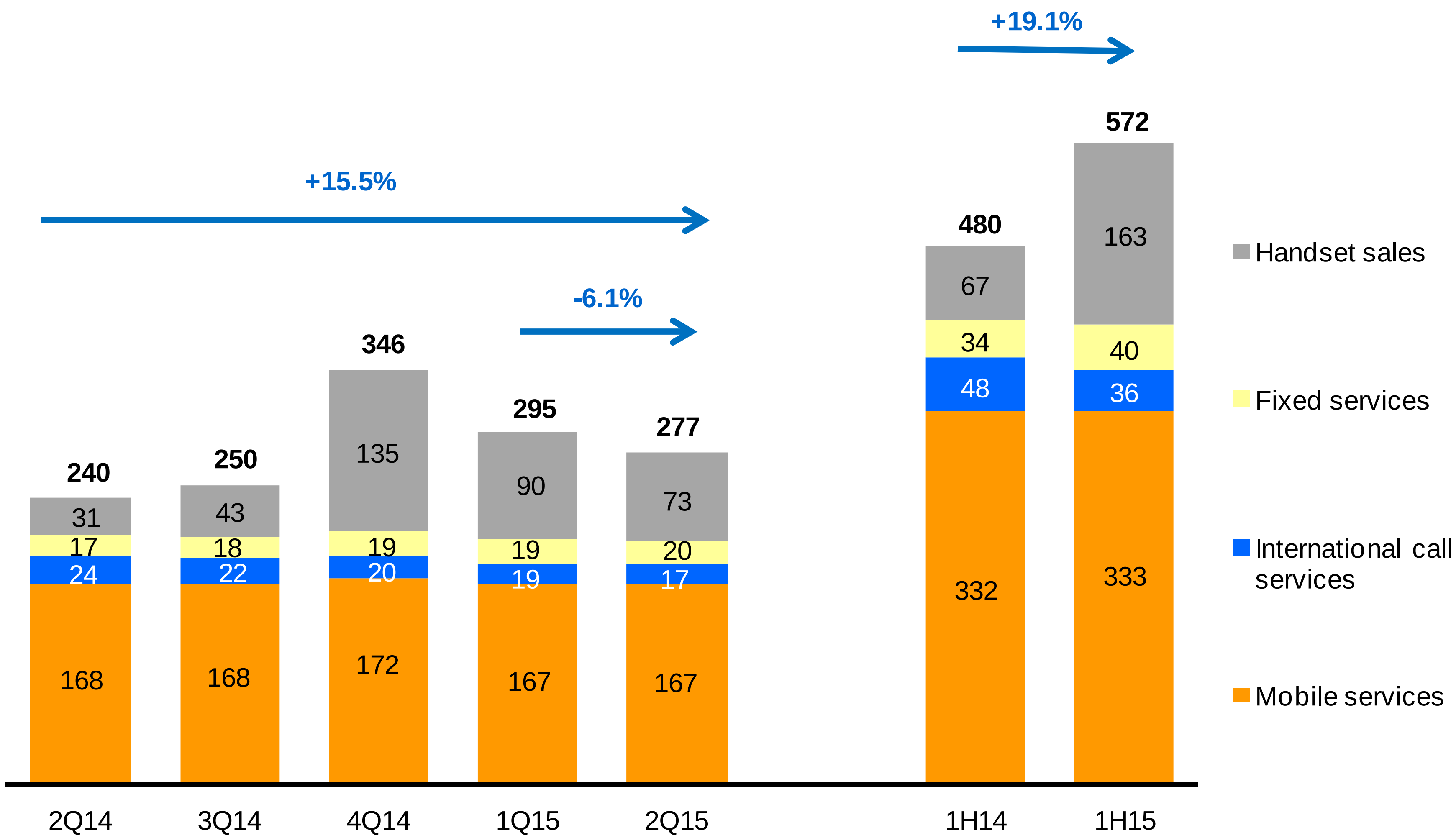
Agenda

Financial highlights

Performance highlights

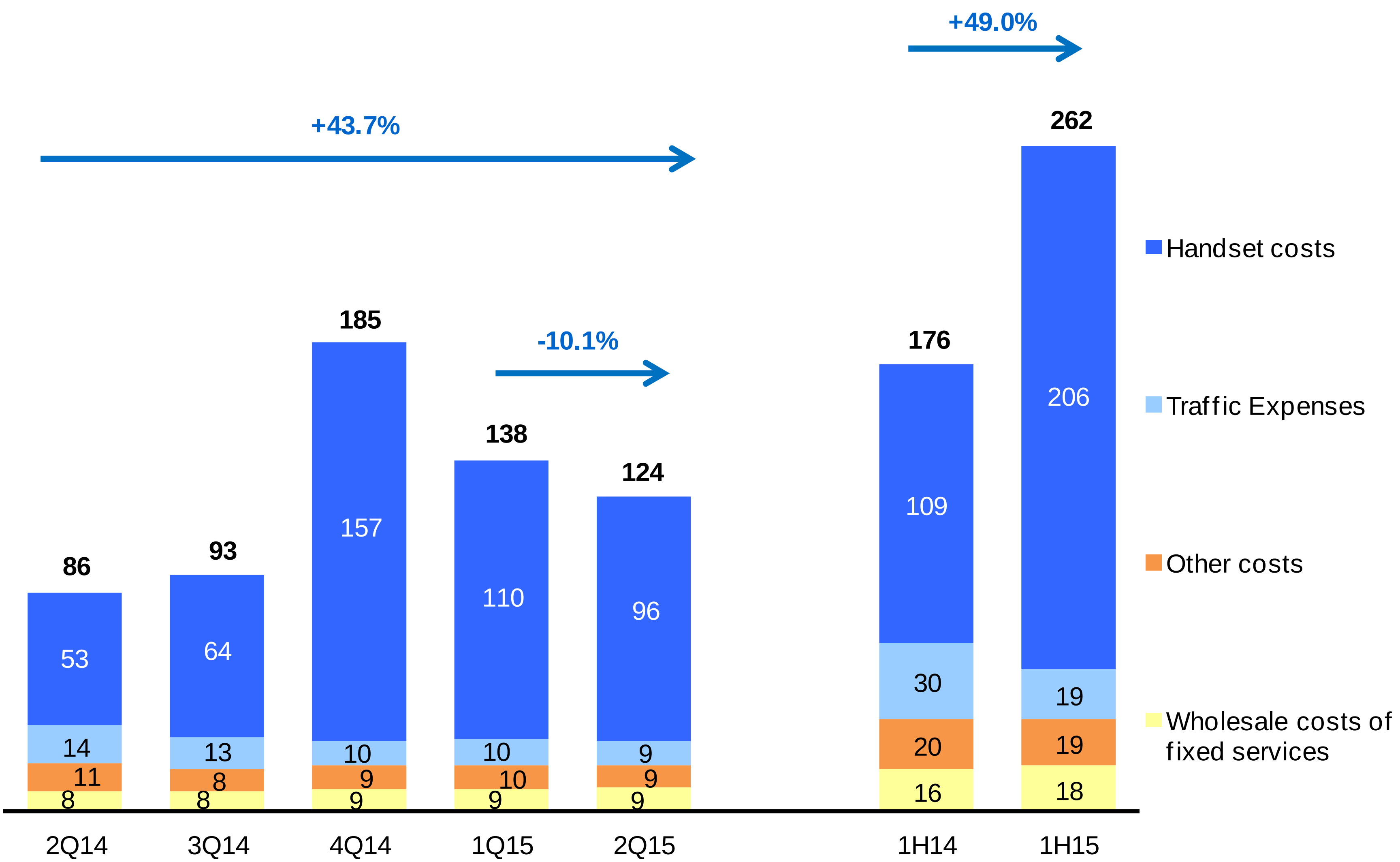
Developments and outlook

Operating revenue (S$m)

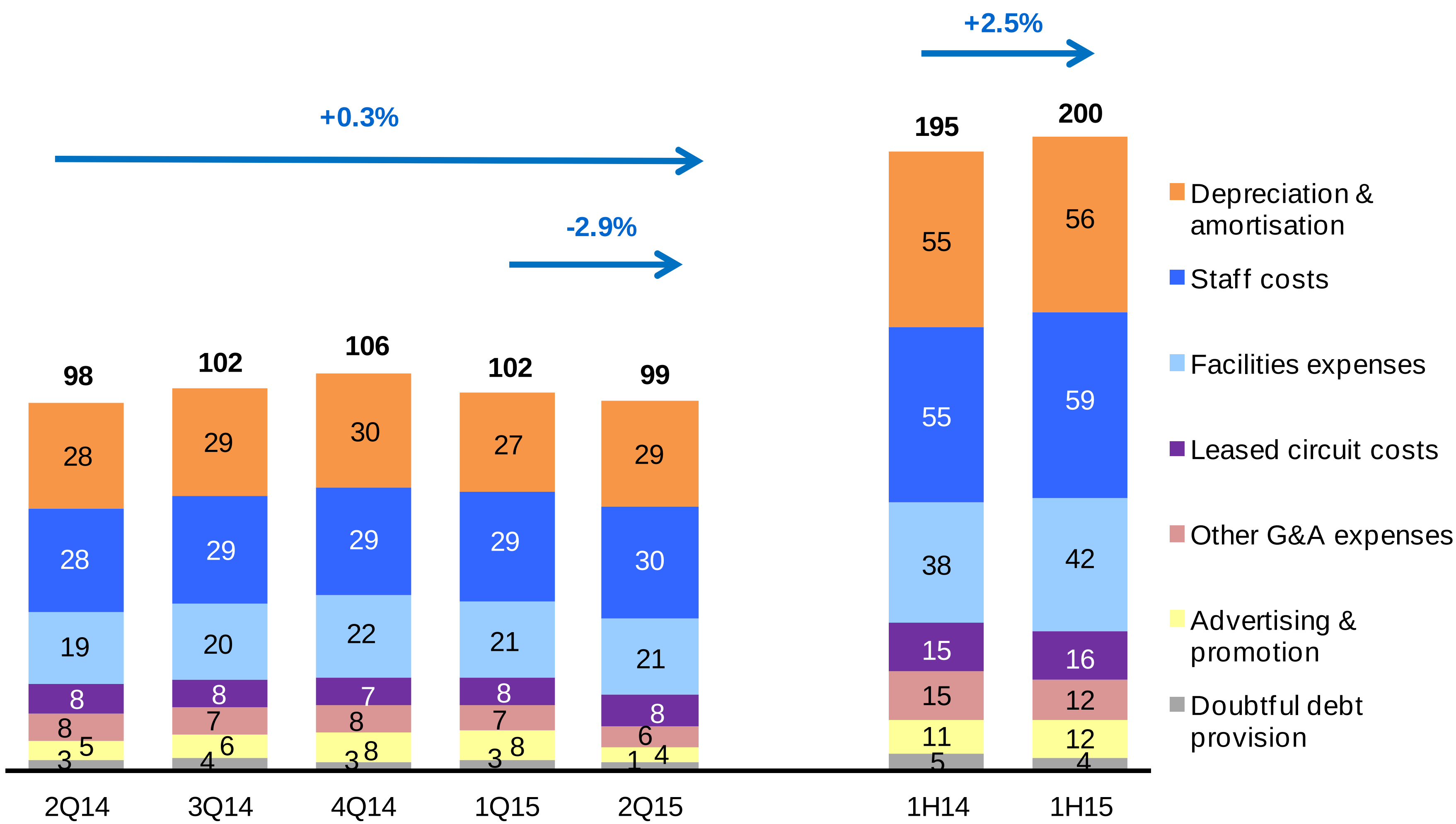


	2Q14	3Q14	4Q14	1Q15	2Q15	1H14	1H15
Service revenue (S$m)	209	207	211	204	**204**	413	409

Cost of sales (S$m)



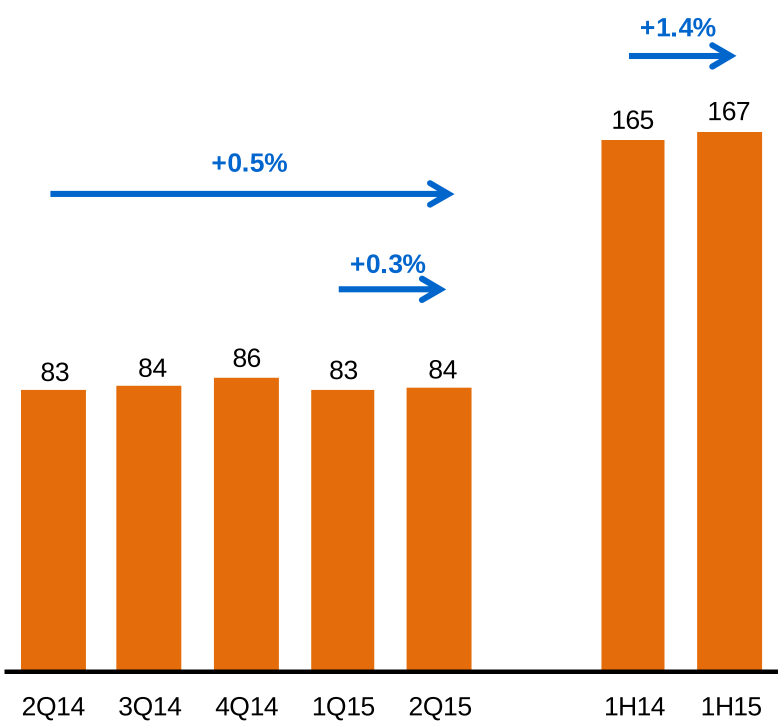
Other operating expenses (S$m)



EBITDA & net profit after tax

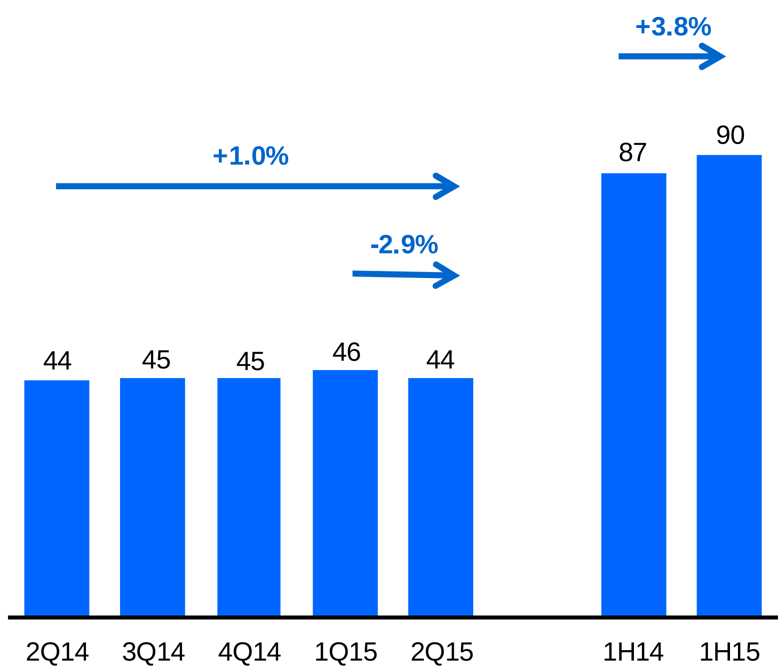
EBITDA (S$m) & margin
on service revenue

	2Q14	3Q14	4Q14	1Q15	2Q15	1H14	1H15
EBITDA margin (on service revenue)	39.8%	40.8%	40.9%	40.8%	**41.0%**	39.9%	40.9%



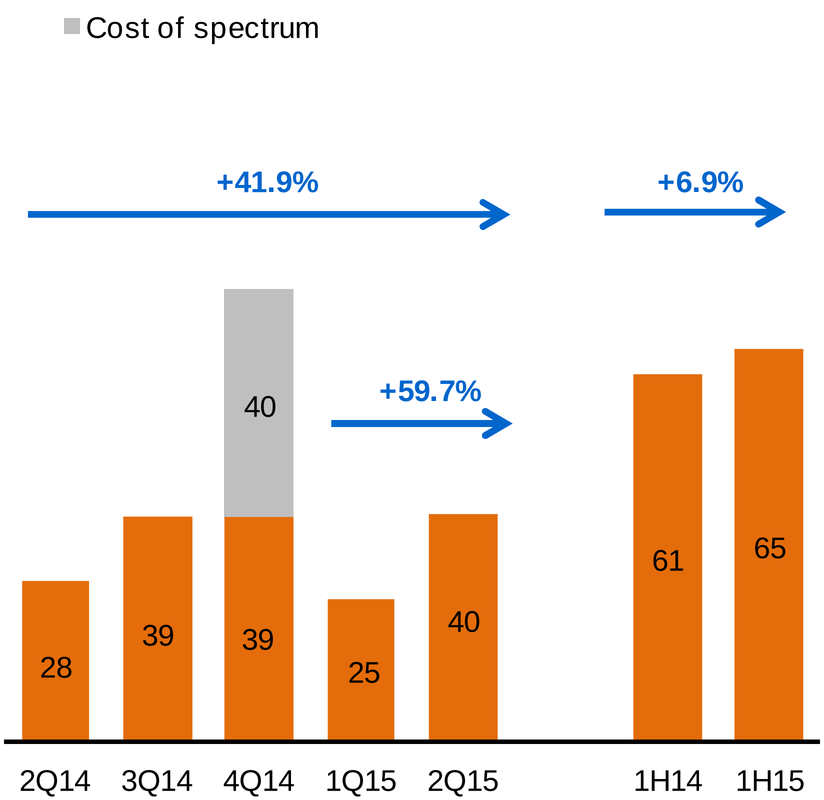
Profit after tax (S$m) & margin
on service revenue

	2Q14	3Q14	4Q14	1Q15	2Q15	1H14	1H15
PAT margin (on service revenue)	21.0%	21.5%	21.1%	22.3%	**21.7%**	21.0%	22.0%

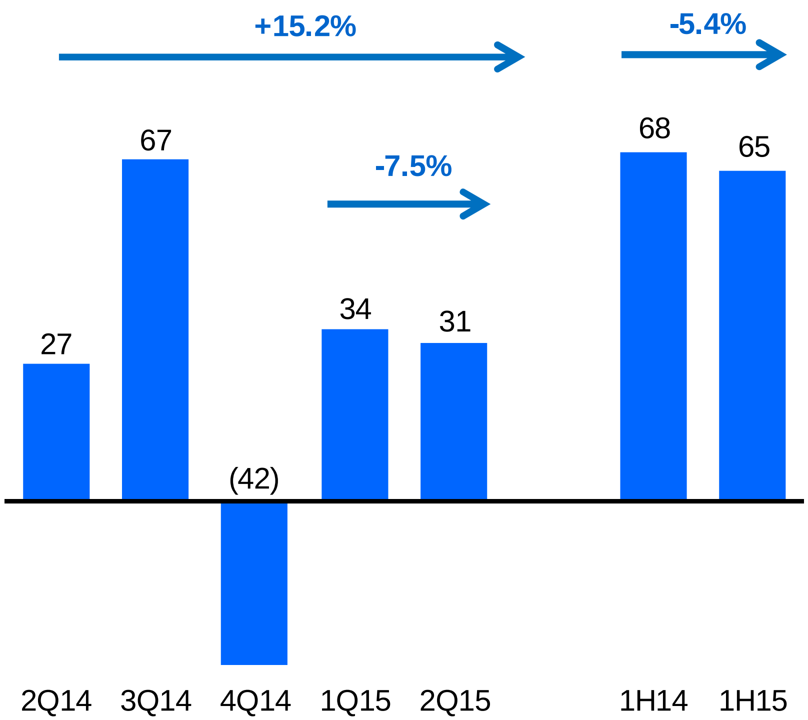


Capex & free cash flow

Capex (S$m)



Free cash flow (S$m)



Financial leverage

S$m	1H2014	1H2015	Change
Cash & cash equivalents	16.4	**33.0**	100.9%
Net debt	244.4	**311.2**	27.3%
Net assets	365.2	**388.9**	6.5%
Net debt/equity (x)	0.7	**0.8**	19.6%
Net debt/EBITDA (x)	0.8	**0.9**	21.1%
EBITDA/Interest (x)	82.4	**74.0**	-10.1%
Net assets per share (cents)	39.3	**41.5**	5.6%
EPS - diluted (cents)	9.3	**9.6**	3.0%

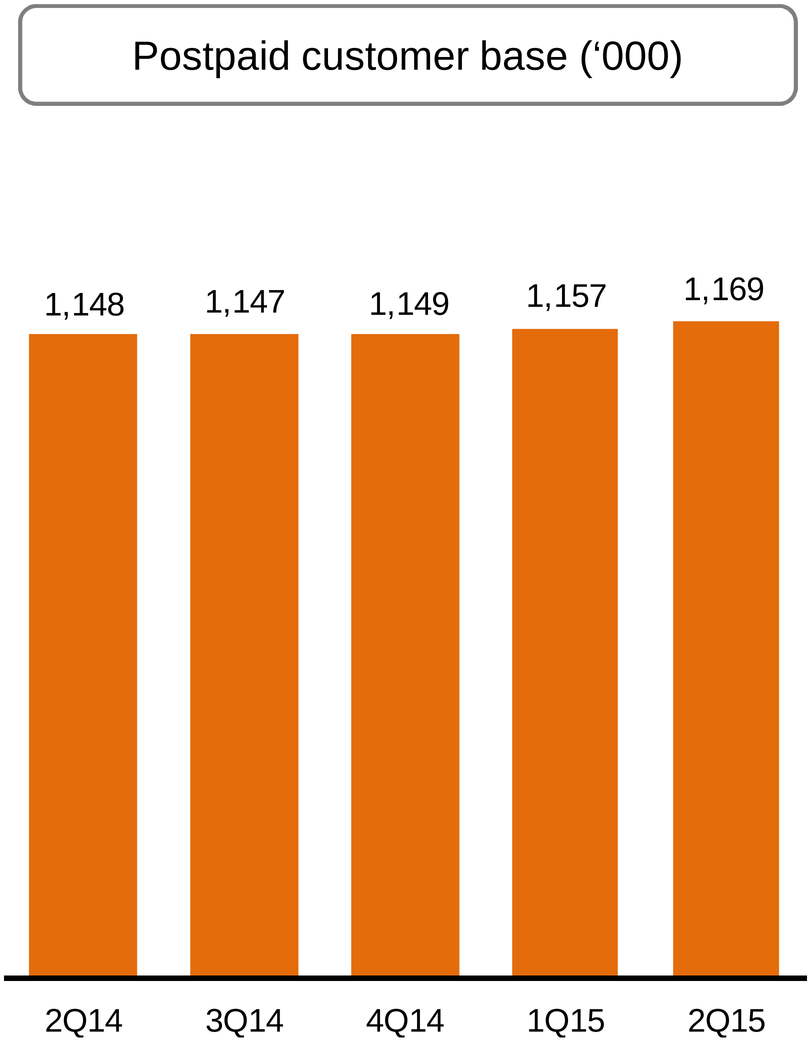
Agenda

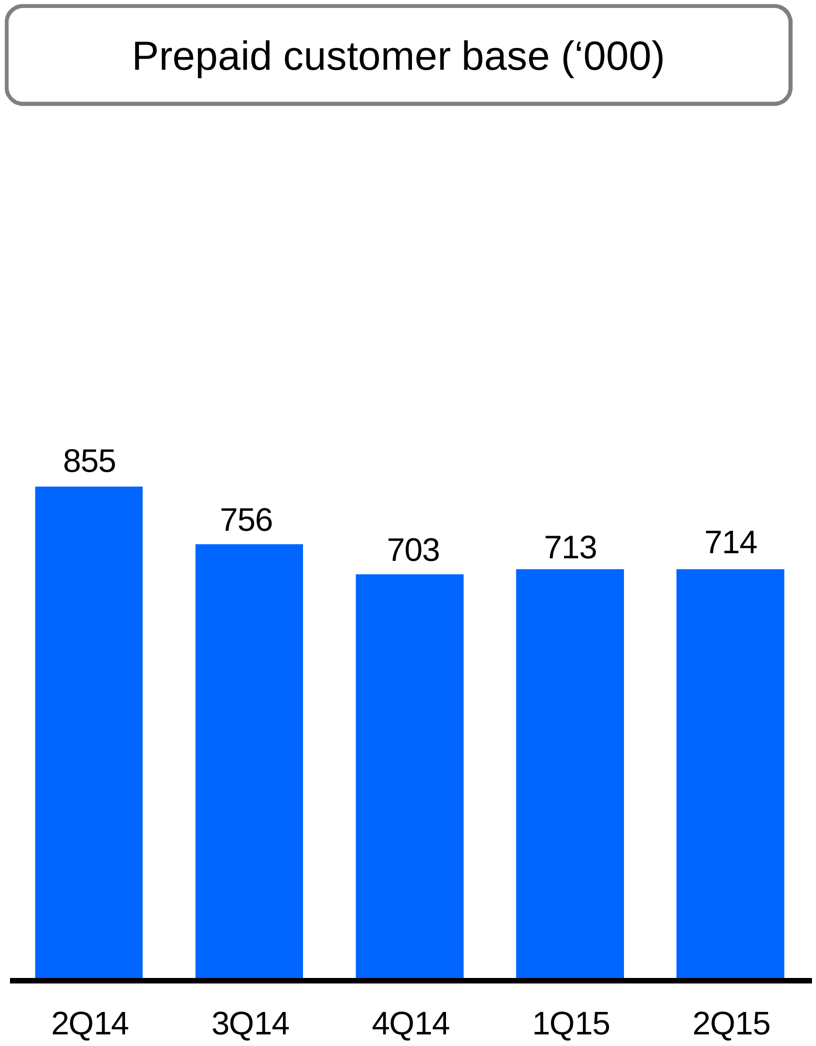
Financial highlights

Performance highlights

Developments and outlook

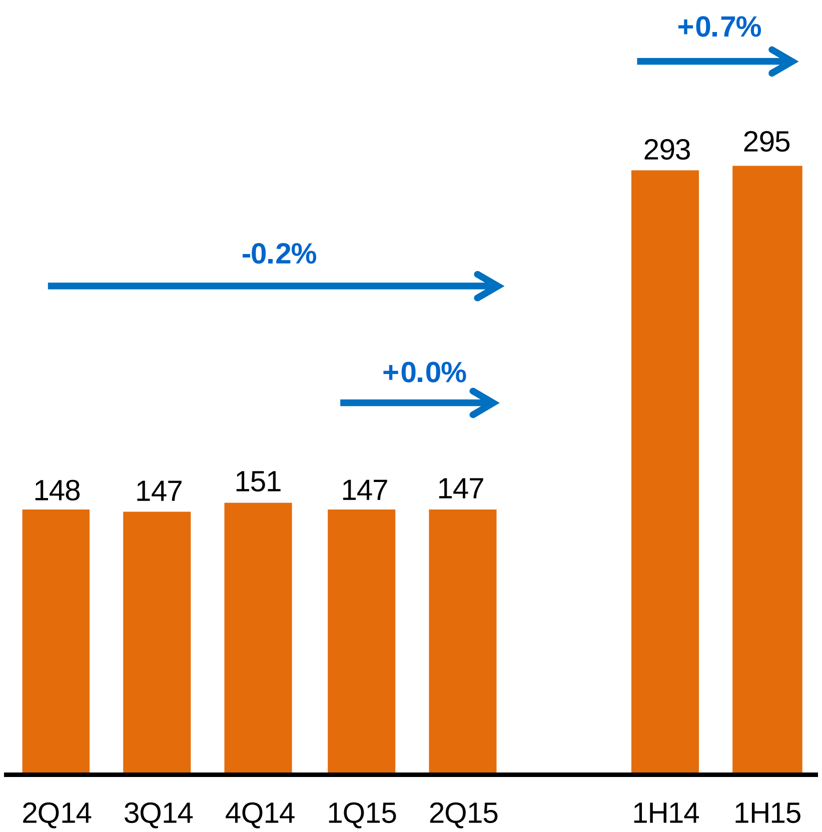
Mobile customers



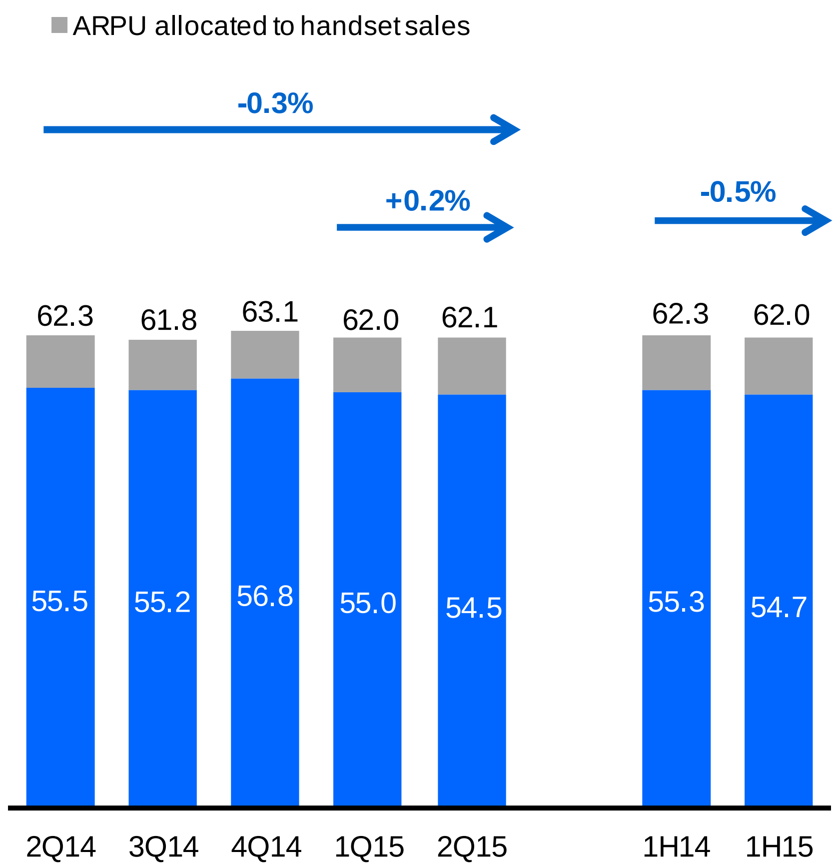


Postpaid mobile

Postpaid mobile revenue (S$m)

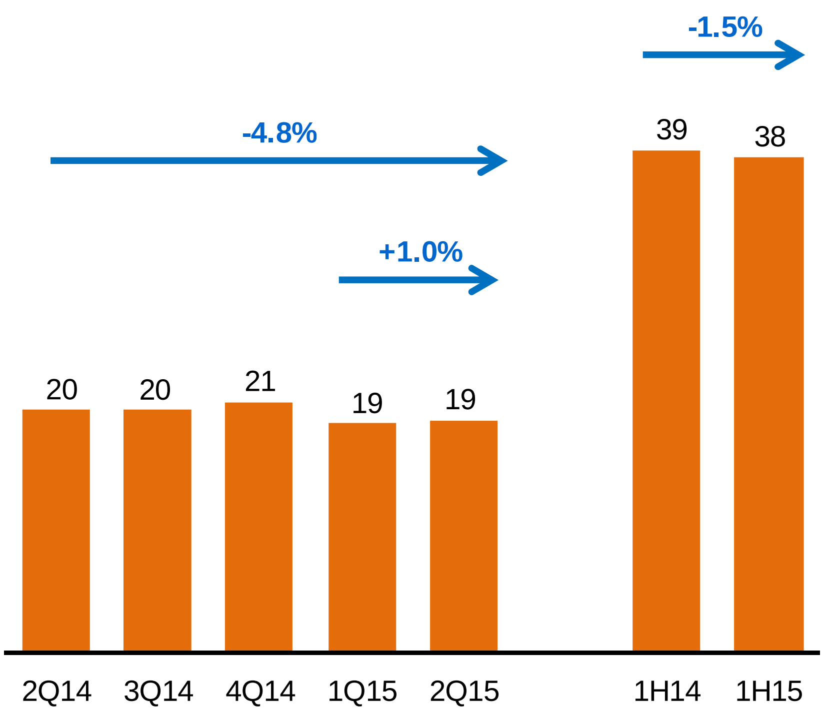


Postpaid monthly ARPU (S$)

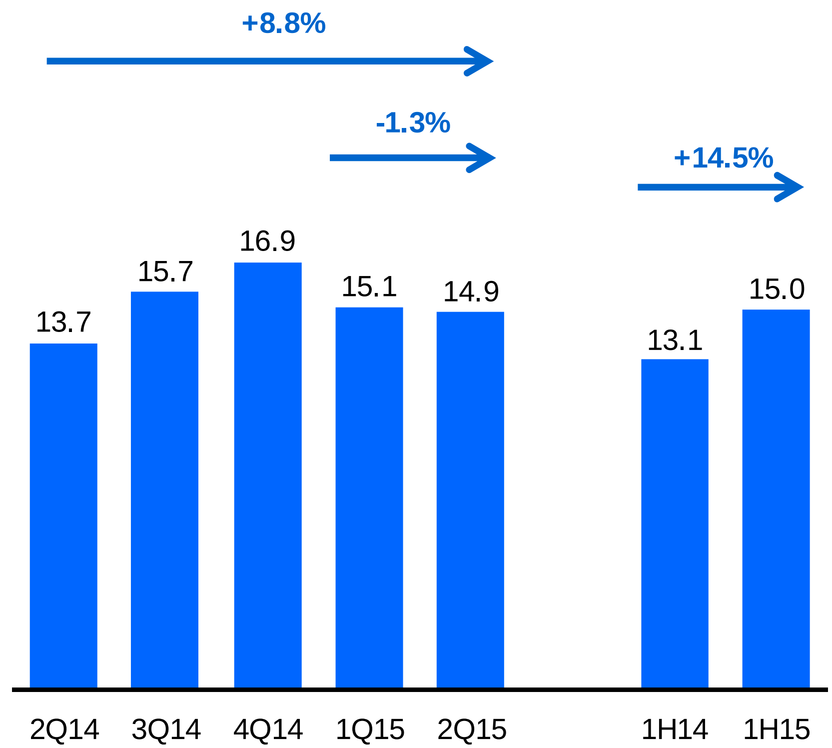


Prepaid mobile

Prepaid mobile revenue (S$m)

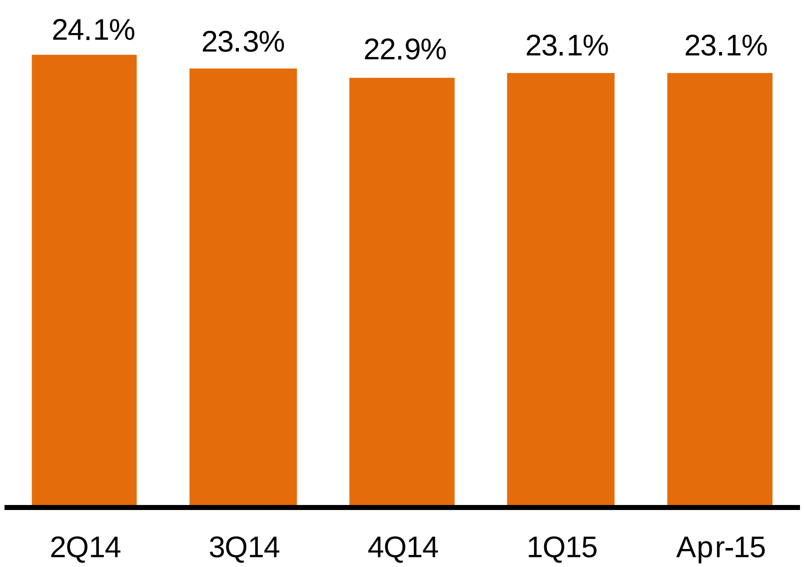


Prepaid monthly ARPU (S$)



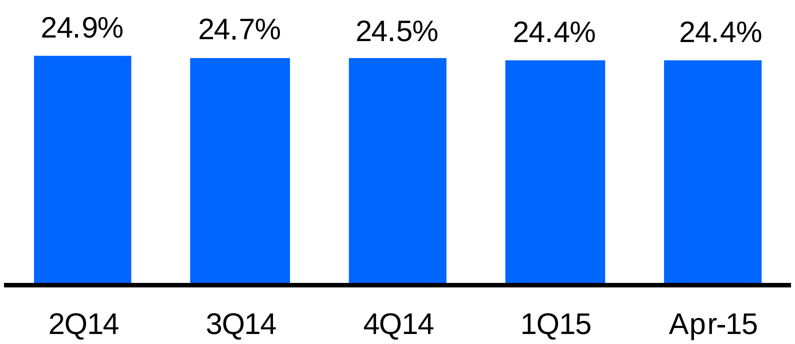
Mobile market share

Overall market share*

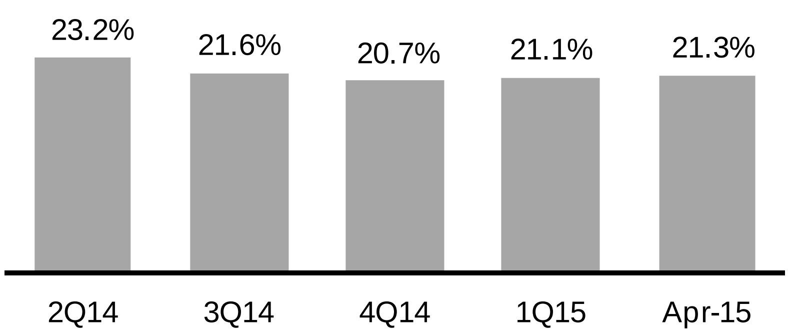


Postpaid & prepaid market share*

Postpaid



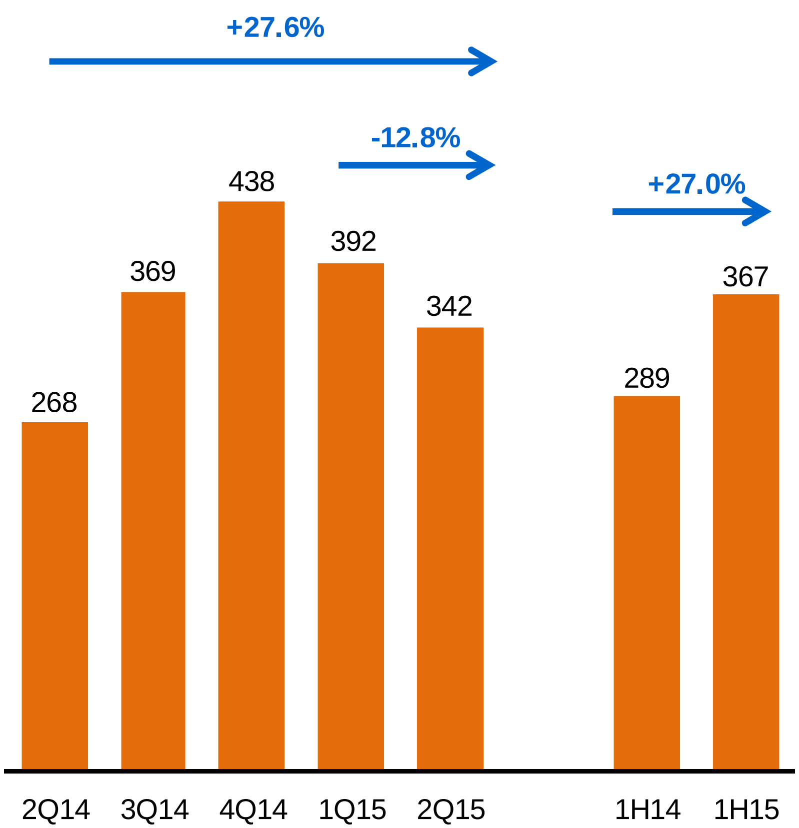
Prepaid



** - Based on published statistics available at the time of submission*

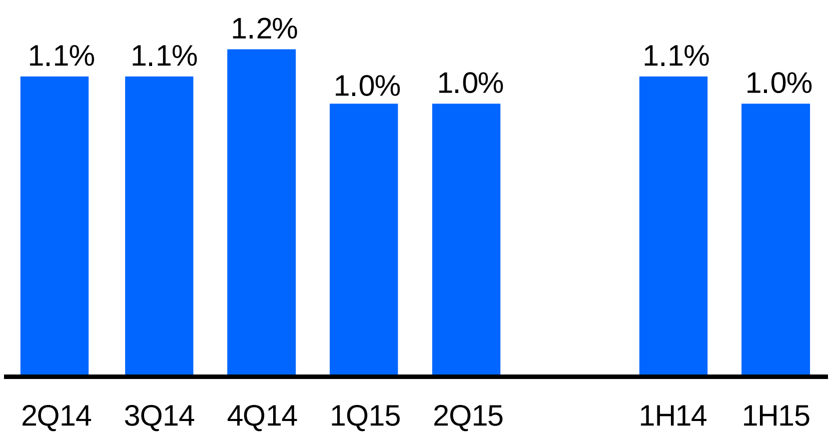
Postpaid mobile

Acquisition cost
per postpaid customer (S$)



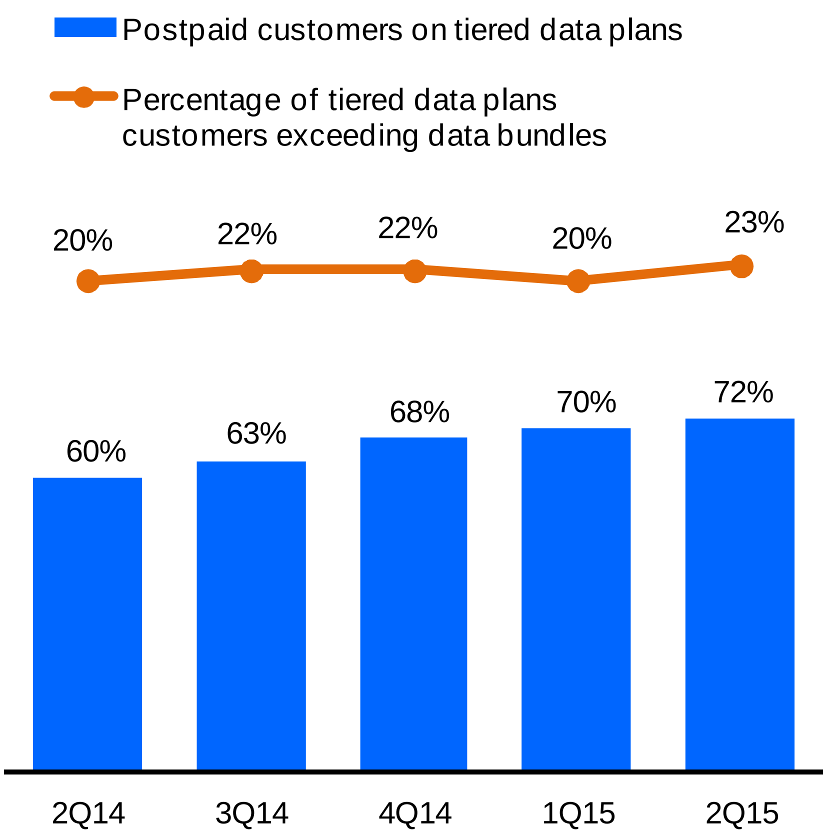
Note: Cash basis

Monthly churn rate (postpaid)

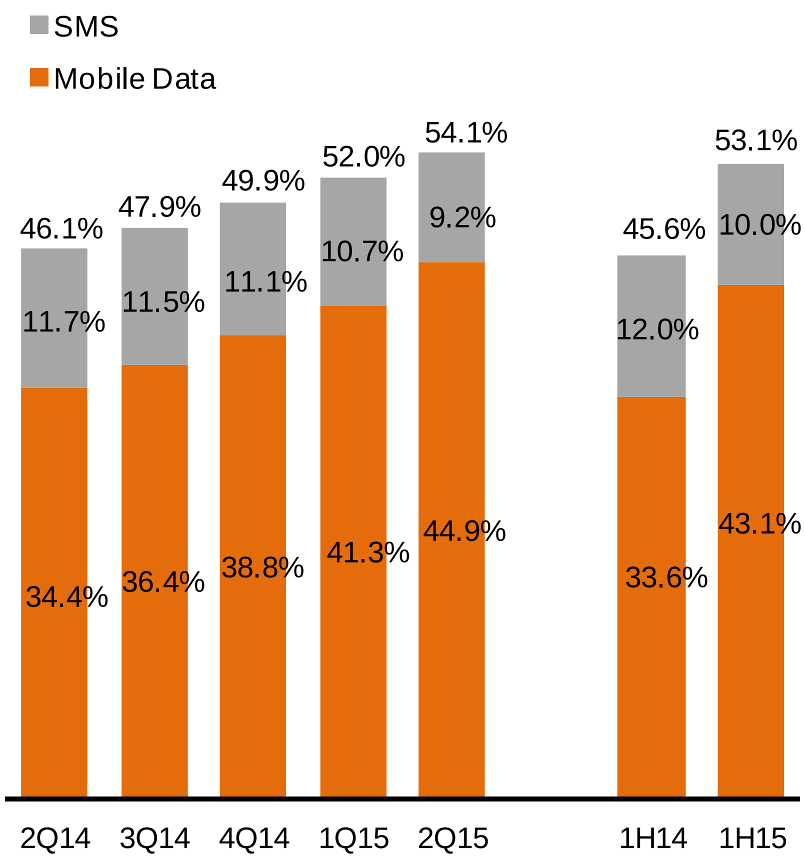


Tiered data plans & non-voice contribution

Tiered data plans

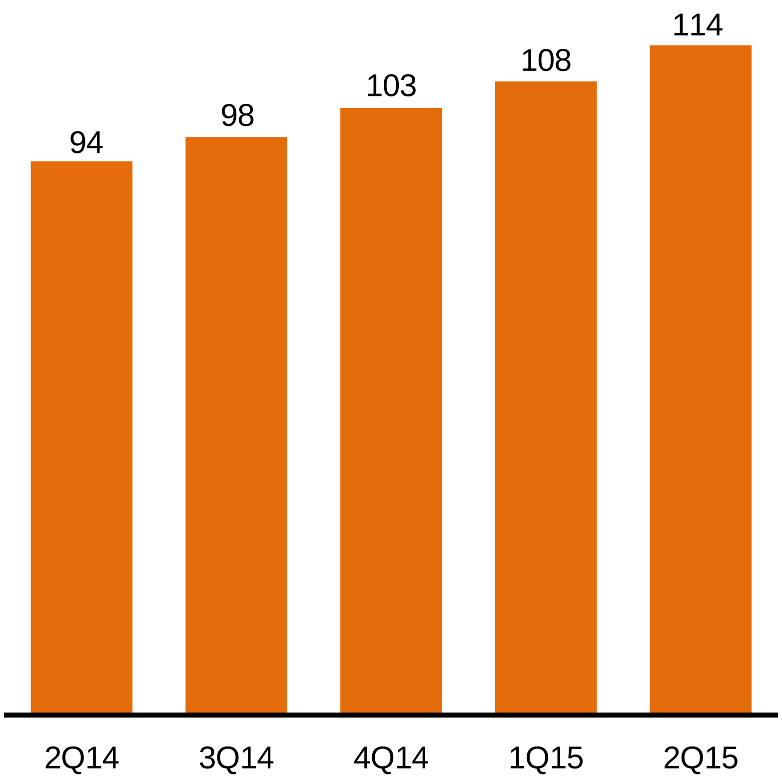


Mobile data and SMS contribution to service revenue

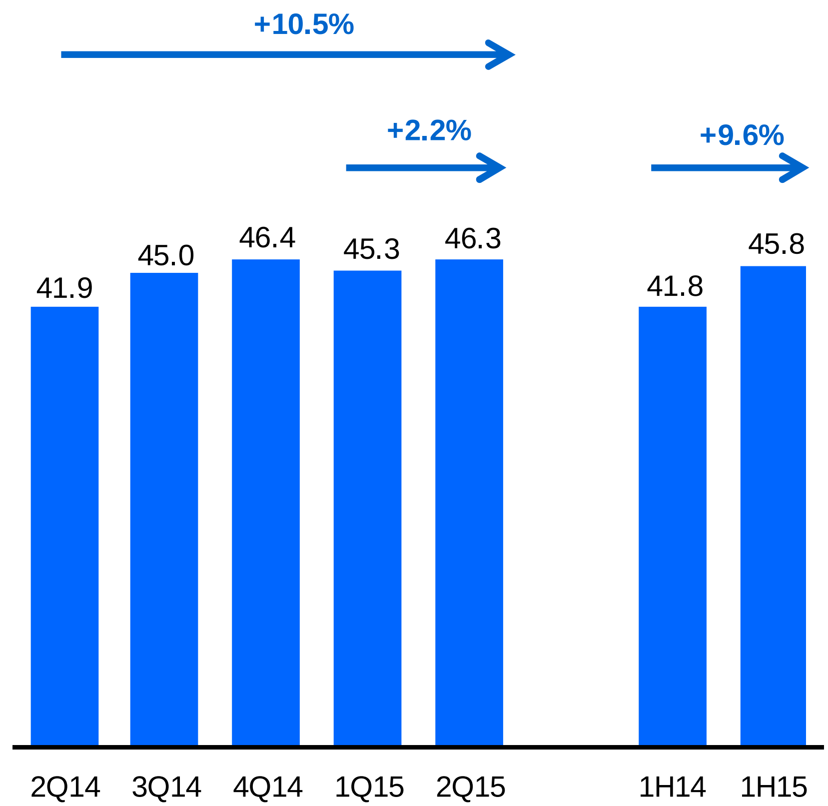


Fixed services

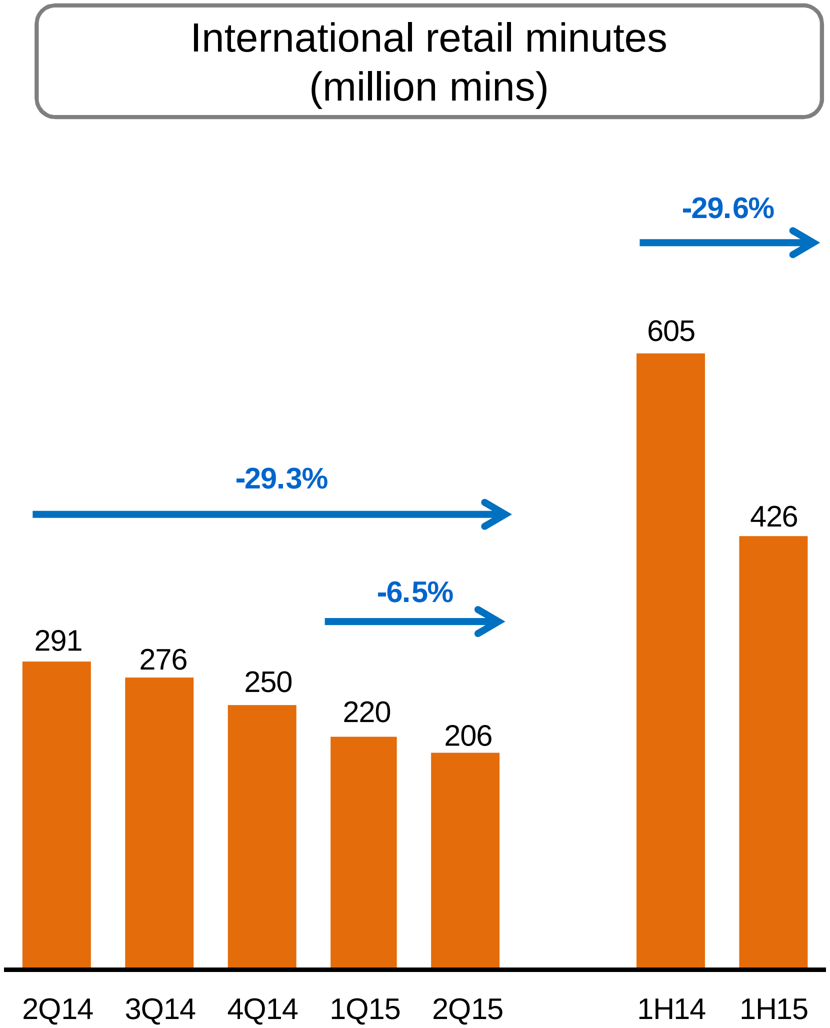
Fibre customer base ('000)

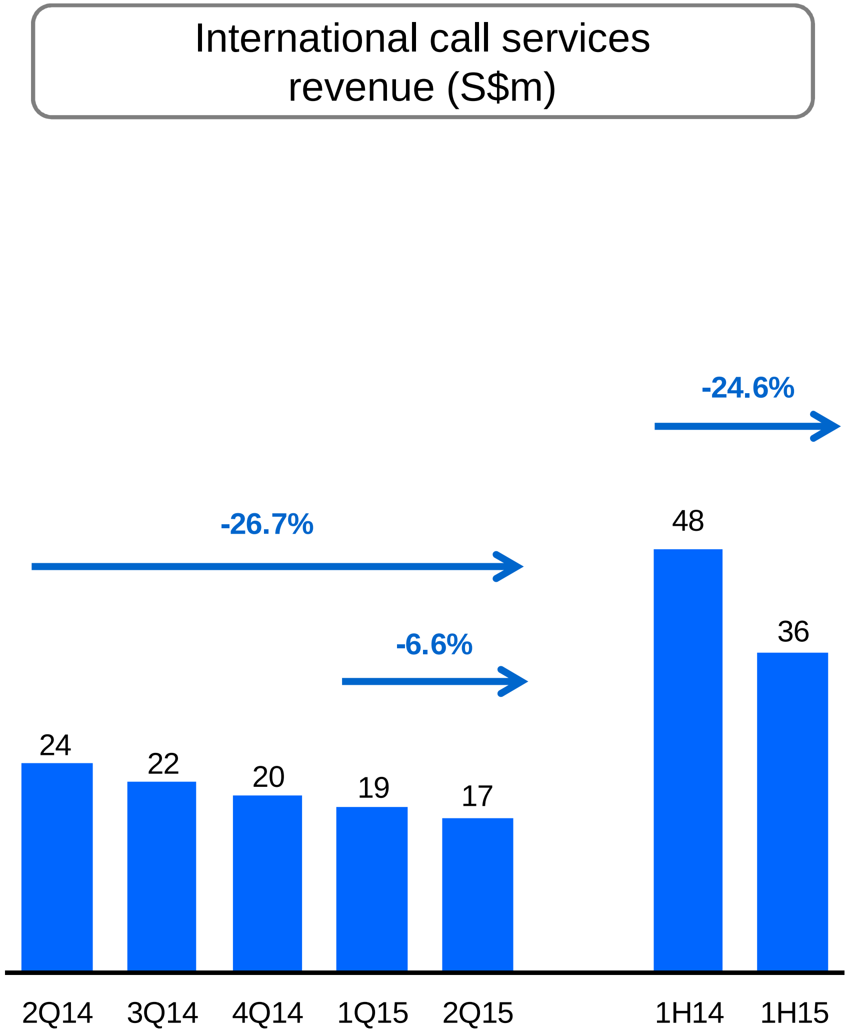


Fibre monthly ARPU (S$)



International call services





Agenda

Financial highlights

Performance highlights

Developments and outlook

Developments and outlook for 2015

Developments

- Continual focus on enhancing customer experience
  - Best 4G experience based on IDA's consumer survey
  - Small cells trials in high traffic locations
- New services launched
  - M1 mobile Point of Sale solution to support retail sector
  - Enhanced roaming proposition with M1 Data Passport service
- Well-placed to serve corporate customers
  - Expanded range of cloud-based solutions
  - Key subcontractor for NetLink Trust

Financial estimates

- Capex to be around S$120m
- Moderate growth in FY2015 net profit after tax

Thank you