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STARHUB LTD

Announcement of Unaudited Results for the Second Quarter and Half Year ended 30 June 2014

StarHub is pleased to announce our unaudited results for the second quarter and half year ended 30 June 2014.

Results for the Second Quarter and Half Year ended 30 June 2014

1. GROUP INCOME AND COMPREHENSIVE INCOME STATEMENTS**1.1 GROUP INCOME STATEMENT**

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014 S\$m	2013 S\$m	Incr/ (Decr) S\$m	%	2014 S\$m	2013 S\$m	Incr/ (Decr) S\$m	%
Total revenue	576.4	586.8	(10.4)	(1.8)	1,147.8	1,166.9	(19.1)	(1.6)
Operating expenses	(463.0)	(472.4)	(9.4)	(2.0)	(935.9)	(953.6)	(17.6)	(1.9)
Other income	5.3	10.4	(5.1)	(49.0)	17.4	25.5	(8.2)	(32.0)
Profit from operations	118.7	124.9	(6.2)	(4.9)	229.2	238.9	(9.6)	(4.0)
Finance income	0.6	0.7	(0.1)	(14.4)	1.2	1.3	(0.1)	(7.7)
Finance expenses ⁽¹⁾	(4.5)	(4.6)	(0.1)	(1.3)	(10.1)	(9.4)	0.6	6.8
Profit before taxation	114.8	121.0	(6.2)	(5.1)	220.4	230.7	(10.3)	(4.5)
Taxation	(20.5)	(20.4)	0.1	0.5	(41.9)	(39.0)	2.9	7.5
Profit for the period	94.3	100.6	(6.3)	(6.3)	178.5	191.8	(13.3)	(6.9)
Attributable to:								
Equity holders of the Company	94.3	100.6	(6.3)	(6.3)	178.5	191.8	(13.3)	(6.9)
	94.3	100.6	(6.3)	(6.3)	178.5	191.8	(13.3)	(6.9)
EBITDA	187.4	191.5	(4.0)	(2.1)	364.5	373.5	(9.0)	(2.4)
EBITDA as a % of service	34.0%	34.1%	-0.1% pts		33.3%	33.7%	-0.4% pts	
Free Cash Flow ⁽²⁾	61.9	64.3	(2.4)	(3.7)	166.5	156.4	10.1	6.5
<i>Profit from operations is arrived after charging the following:</i>								
<i>Allowance for doubtful receivables and bad debts written off</i>	3.8	3.7	0.1	2.6	7.6	7.6	0.0	0.5
<i>Depreciation and amortisation (net of asset grants)</i>	68.7	66.6	2.1	3.2	135.3	134.7	0.6	0.5

Notes:

(1) Finance expenses include interest and other financing charges

(2) Free Cash Flow refers to net cash from operating activities less purchase of fixed assets in the cash flow statement

(3) Numbers in all tables may not exactly add due to rounding

1.2 GROUP COMPREHENSIVE INCOME STATEMENT

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014 S\$m	2013 S\$m	Incr/(Decr) S\$m	%	2014 S\$m	2013 S\$m	Incr/(Decr) S\$m	%
Profit for the period	94.3	100.6	(6.3)	(6.3)	178.5	191.8	(13.3)	(6.9)
Other comprehensive income Items that are or may be reclassified subsequently to profit or loss:								
Foreign currency translation differences	(0.2)	0.3	(0.5)	nm	(0.2)	0.5	(0.6)	nm
Effective portion of changes in fair value of cash flow hedge	(0.0)	3.3	(3.3)	nm	0.6	3.3	(2.6)	(80.5)
Other comprehensive income for the period (net of taxation)	(0.3)	3.6	(3.8)	nm	0.5	3.7	(3.3)	(87.7)
Total comprehensive income for the period	94.0	104.2	(10.2)	(9.7)	179.0	195.5	(16.6)	(8.5)
Attributable to:								
Equity holders of the Company	94.0	104.2	(10.2)	(9.7)	179.0	195.5	(16.6)	(8.5)
	94.0	104.2	(10.2)	(9.7)	179.0	195.5	(16.6)	(8.5)

nm – Not meaningful

1.3 GROUP PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 JUNE 2014

(A) Revenue

Revenue	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014 S\$m	2013 S\$m	Incr / (Decr) S\$m %		2014 S\$m	2013 S\$m	Incr / (Decr) S\$m %	
Mobile revenue	310.3	314.7	(4.4)	(1.4)	616.2	616.6	(0.4)	(0.1)
Pay TV revenue	98.4	95.6	2.9	3.0	192.2	190.3	1.9	1.0
Broadband revenue	51.0	61.7	(10.6)	(17.2)	104.9	124.1	(19.2)	(15.4)
Fixed Network Services revenue	92.0	90.0	2.0	2.2	182.2	178.3	3.9	2.2
Total service revenue	551.8	562.0	(10.2)	(1.8)	1,095.6	1,109.3	(13.7)	(1.2)
Sale of equipment	24.7	24.9	(0.2)	(0.8)	52.3	57.6	(5.4)	(9.3)
Total	576.4	586.8	(10.4)	(1.8)	1,147.8	1,166.9	(19.1)	(1.6)

Revenue mix	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2014 Mix %	2013 Mix %	2014 Mix %	2013 Mix %
Mobile revenue	53.8	53.6	53.7	52.9
Pay TV revenue	17.1	16.3	16.7	16.3
Broadband revenue	8.8	10.5	9.1	10.6
Fixed Network services revenue	16.0	15.4	15.9	15.3
Sale of equipment	4.3	4.2	4.6	4.9
Total	100.0	100.0	100.0	100.0

For the quarter, the Group's total revenue was 1.8% lower at S\$576.4 million when compared to 2Q-2013 as a result of lower service revenue, mainly from the Broadband business which decreased by 17.2% year-on-year (YoY).

For the half year, the Group's total revenue decreased 1.6% YoY to S\$1,147.8 million in 1H-2014 due to lower service revenue, mainly from Broadband which fell 15.4% and lower revenue from sales of equipment which decreased 9.3% when compared to 1H-2013.

This quarter's total service revenue at S\$551.8 million was S\$10.2 million or 1.8% lower YoY and for the half year, was 1.2% lower at S\$1,095.6 million. The quarter's revenue change came mainly from the Broadband business. It continued to see price competition which impacted new and re-contracted businesses despite an increase in our broadband subscriber base. Broadband services revenue fell 17.2% YoY to S\$51.0 million this quarter and for the half year, decreased 15.4% YoY to S\$104.9 million.

For the quarter, Mobile revenue decreased 1.4% YoY to S\$310.3 million due to lower revenue from our Pre-paid mobile services despite an increase in revenue from Post-paid mobile services. For the half year, Mobile revenue was 0.1% lower YoY at S\$616.2 million.

Pay TV revenue for 2Q-2014 was 3% higher YoY driven by higher subscription and advertising revenue, and for the half year, increased 1% YoY to S\$192.2 million.

For the quarter and half year, Fixed Network services revenue grew 2.2% YoY to S\$92.0 million and S\$182.2 million respectively. The increase was contributed by higher Data & Internet services, which mitigated the lower Voice services.

Against the corresponding periods last year, revenue from sales of equipment were lower at S\$24.7 million for the quarter and S\$52.3 million for the half-year period, a YoY decrease of 0.8% and 9.3% respectively, due to lower quantities of handsets sold.

(B) Operating expenses

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014	2013	Incr / (Decr)		2014	2013	Incr / (Decr)	
Operating expenses	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Cost of sales	212.0	225.8	(13.8)	(6.1)	433.5	455.1	(21.6)	(4.7)
Other operating expenses	251.0	246.6	4.4	1.8	502.4	498.5	4.0	0.8
Total	463.0	472.4	(9.4)	(2.0)	935.9	953.6	(17.6)	(1.9)

For the quarter, total operating expenses were 2.0% lower YoY at S\$463.0 million and 1.9% lower for the half-year period at S\$935.9 million. The decrease was mainly attributed to lower cost of sales which decreased 6.1% and 4.7% YoY for the quarter and half-year periods respectively when compared to the corresponding periods last year.

As a percentage of revenue, total operating expenses were marginally lower at 80.3% in 2Q-2014 and 81.5% in 1H-2014, down from 80.5% in 2Q-2013 and 81.7% in 1H-2013.

Details of total operating expenses are as follows:

(i) Cost of sales

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014	2013	Incr / (Decr)		2014	2013	Incr / (Decr)	
Cost of sales	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Cost of equipment sold	70.8	79.4	(8.6)	(10.9)	158.2	171.4	(13.2)	(7.7)
Cost of services	98.9	92.7	6.2	6.6	194.1	178.7	15.4	8.6
Traffic expenses	42.4	53.6	(11.3)	(21.0)	81.2	105.0	(23.8)	(22.7)
Total	212.0	225.8	(13.8)	(6.1)	433.5	455.1	(21.6)	(4.7)

Compared to 2Q-2013, this quarter's cost of sales was S\$13.8 million or 6.1% lower at S\$212.0 million, and for the half-year period, decreased S\$21.6 million or 4.7% to S\$433.5 million when compared to 1H-2013. The lower cost of sales YoY were due to lower traffic expenses and cost of equipment sold, offset by higher cost of services. As a percentage of revenue, cost of sales decreased from 38.5% in 2Q-2013 to 36.8% this quarter, and was lower at 37.8% in 1H-2014 compared to 39.0% in 1H-2013.

Cost of equipment sold for the quarter was 10.9% or S\$8.6 million lower at S\$70.8 million due to lower handset sales volume and for the half-year period, was 7.7% or S\$13.2 million lower at S\$158.2 million when compared to the corresponding periods last year.

Against 2Q-2013, cost of services for the quarter increased 6.6% to S\$98.9 million mainly due to higher costs incurred for Data & Internet and Next Gen NBN services as take up increased. This was partially mitigated by lower TV content and programming costs in the quarter. For the half-year, cost of services was up 8.6% to S\$194.1 million due to higher telco services costs and TV content and programming costs.

Traffic expenses for the quarter and half-year periods decreased 21.0% and 22.7% respectively to S\$42.4 million in 2Q-2014 and S\$81.2 million in 1H-2014, due to lower inter-operator traffic volume and international outbound services.

(ii) Other operating expenses

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014 S\$m	2013 S\$m	Incr / (Decr) S\$m	%	2014 S\$m	2013 S\$m	Incr / (Decr) S\$m	%
Other operating expenses								
Staff costs	69.8	67.5	2.3	3.4	136.9	136.8	0.0	0.0
Operating leases	32.2	32.7	(0.5)	(1.6)	64.7	65.3	(0.5)	(0.8)
Marketing and promotions	37.1	38.4	(1.3)	(3.3)	76.5	74.9	1.6	2.1
Allowance for doubtful receivables	3.8	3.7	0.1	2.6	7.6	7.6	0.0	0.5
Repair and maintenance	20.0	17.8	2.1	11.8	40.0	35.3	4.6	13.1
Other expenses	19.5	19.9	(0.4)	(2.0)	41.4	43.9	(2.4)	(5.5)
Sub total	182.3	180.0	2.3	1.3	367.1	363.8	3.3	0.9
Depreciation and amortisation (net of asset grants)	68.7	66.6	2.1	3.2	135.3	134.7	0.6	0.5
Total	251.0	246.6	4.4	1.8	502.4	498.5	4.0	0.8

For the quarter, other operating expenses increased S\$4.4 million or 1.8% to S\$251.0 million, due to higher staff costs, repair and maintenance and depreciation and amortisation expenses, mitigated by lower spending in marketing and promotions and operating leases.

Against 1H-2013, operating expenses were 0.8% higher at S\$502.4 million in 1H-2014 due to higher repair and maintenance and marketing and promotion expenses which were partially mitigated by lower other expenses.

Analysis of major variances in other operating expenses is provided below:

Staff costs

This quarter's staff costs at S\$69.8 million were 3.4% higher YoY due to higher share-based expenses and increased salaries. For the half-year period, staff costs were maintained at S\$136.9 million as the higher expenses in 2Q-2014 was mitigated by wage credits received in 1Q-2014.

Marketing and promotions

Marketing and promotion expenses were 3.3% lower at S\$37.1 million for the quarter, due to lower spending on advertising and promotional expenses. Year-to-date, marketing and promotion expenses increased 2.1% to S\$76.5 million.

Allowance for doubtful receivables

Compared to the corresponding periods last year, provision for allowance for doubtful receivables at S\$3.8 million was S\$0.1 million higher this quarter. Year-to-date, it was maintained at 0.7% of service revenue and amounted to S\$7.6 million in 1H-2014, same as last year.

Repair and maintenance

Repair and maintenance was up 11.8% to S\$20.0 million for the quarter, and increased 13.1% to S\$40.0 million in 1H-2014, mainly driven by our expanded network infrastructure and equipment.

Other expenses

Other expenses for the quarter were S\$0.4 million lower YoY at S\$19.5 million, and for the half-year period, decreased 5.5% to S\$41.4 million. The lower expenses for the half-year period were attributed to lower allowance for stock obsolescence, licence fees and utilities, offset by stamp duty from the renewal of office lease tenancy.

Depreciation and amortisation (net of asset grants)

YoY, depreciation and amortisation expenses were 3.2% higher at S\$68.7 million for the quarter, bringing the year-to-date depreciation to S\$135.3 million or 0.5% YoY increase for the half-year period. The increased depreciation and amortisation expenses were attributable to additions to network equipment assets and intangible assets in the current periods.

(C) Other income

Other income this quarter amounting to S\$5.3 million comprised mainly the amortised portion of government grants. There was no adoption grant income taken up this quarter when compared to 2Q-2013 as the current claims are pending the regulator's certification. This resulted in the year-to-date other income to total S\$17.4 million, 32.0% lower than 1H-2013 of S\$25.5 million.

(D) Profitability

Profit from operations was 4.9% lower at S\$118.7 million in 2Q-2014, and for the half-year period, decreased 4.0% to S\$229.2 million. The lower profits were primarily due to the lower other income and the decrease in service revenue despite the lower operating expenses.

EBITDA for the quarter was lower at S\$187.4 million or 34.0% on service revenue when compared to 2Q-2013 EBITDA of S\$191.5 million or 34.1% on service revenue.

For the half year period, EBITDA amounted to S\$364.5 million or 2.4% lower when compared to 1H-2013. The half year EBITDA margin on service revenue was 33.3% this period compared to 33.7% in 1H-2013.

Finance income were S\$0.1 million lower YoY at S\$0.6 million in 2Q-2014 and S\$1.2 million in 1H-2014. This quarter's finance expenses decreased S\$0.1 million to S\$4.5 million, and were up 6.8% to S\$10.1 million in 1H-2014 due to facilities fees incurred in 1Q-2014 to secure new bank loan facilities.

Profit before taxation was S\$6.2 million lower at S\$114.8 million for the quarter, and decreased S\$10.3 million to S\$220.4 million in 1H-2014.

Taxation for the quarter was S\$20.5 million, and for the 1H-2014, was S\$2.9 million higher YoY at S\$41.9 million. The higher year-to-date taxation was due to adjustments to provision taken up in 1Q-2014.

Profit after taxation was 6.3% lower at S\$94.3 million for the quarter, and decreased 6.9% YoY to S\$178.5 million for the half-year period. This translated to lower diluted earnings per share (EPS) of 5.4 cents for the quarter and 10.3 cents for the half-year period, when compared to 5.8 cents and 11.1 cents EPS in the corresponding periods last year.

2. BUSINESS REVIEW

Mobile Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014	2013	Incr / (Decr)		2014	2013	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Mobile revenue	310.3	314.7	(4.4)	(1.4)	616.2	616.6	(0.4)	(0.1)

Mobile operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun 2014	31 Mar 2014	30 Jun 2013	30 Jun 2014	30 Jun 2013	Incr/(Decr) %
Number of registered customers (in thousands)						
Post-paid	1,243	1,229	1,127	1,243	1,127	10.3
Pre-paid	1,049	1,120	1,122	1,049	1,122	(6.5)
Total	2,292	2,349	2,249	2,292	2,249	1.9
Monthly minutes of use per registered customer						
Post-paid	250	255	305	252	304	(16.9)
Pre-paid	299	317	396	308	407	(24.3)
ARPU with IDD included (S\$ per month)						
Post-paid	68	66	72	67	70	(3.3)
Pre-paid	16	16	18	16	18	(12.5)
Non-voice service as a contribution to ARPU						
Post-paid	50.9%	50.6%	45.0%	50.8%	44.9%	-
Pre-paid	22.3%	21.9%	19.0%	22.1%	18.3%	-
Average monthly churn rate (post-paid)	0.9%	0.8%	1.0%	0.9%	0.9%	-
Singapore mobile penetration ⁽¹⁾	155.1%	156.3%	154.3%	155.1%	154.3%	-
Market Share ⁽¹⁾	28.0%	27.8%	27.4%	28.0%	27.4%	-

Note:

(1) Source : IDA (As at May 2014)

For the quarter, mobile services revenue was 1.4% lower YoY at S\$310.3 million, due to lower revenue from Pre-paid mobile services. Subscription revenue from Post-paid mobile services was higher YoY, driven by a larger customer base, offsetting the lower roaming revenue and inter-connection revenue from carriers. For the half year ended 30 June 2014, mobile services revenue was 0.1% lower YoY at S\$616.2 million compared to S\$616.6 million in 1H-2013.

Post-paid mobile services

As at 30 June 2014, Post-paid mobile subscriber base was 1,243,000 after the quarter's net addition of 14,800 subscribers. Compared to a year ago, this was 116,100 customers or 10.3% higher, driven largely by the take-up of SmartSurf and SharePlus plans.

Compared to 2Q-2013, this quarter's Post-paid mobile ARPU was S\$4 lower at S\$68, and for the half-year period, decreased from S\$70 in 1H-2013 to S\$67 in 1H-2014. The lower ARPU in current periods were attributable to the dilutive impact on ARPU from a higher mix of customers on the promotional SharePlus plans (secondary lines lower monthly subscription plans) in the enlarged customer base. This dilutive effect in ARPU was partly mitigated by

higher subscription and usage revenue from increased customer base on our SmartSurf and tiered data subscription plans this year.

Post-paid mobile data traffic continued to increase in the quarter and half-year periods. This led to the non-voice component of the Post-paid mobile ARPU rising to 50.9% for the quarter and 50.8% in 1H-2014, up from 45.0% in 2Q-2013 and 44.9% in 1H-2013.

Monthly average Post-paid mobile churn reduced from 1.0% in 2Q-2013 to 0.9% this quarter, and maintained at 0.9% in 1H-2014.

Pre-paid mobile services

As at 30 June 2014, Pre-paid mobile customer base was 1,049,000 after the quarter's net churn of 71,700 customers due to card expiry and consequence of the new restriction of 3 SIM cards per customer which became effective in 1 April 2014. Compared to a year ago, this was 72,900 customers or 6.5% lower.

Pre-paid mobile ARPU was S\$16 for the quarter and half-year periods, down from S\$18 last year. The lower ARPU was due to lower voice usage, mitigated by higher data usage. Pre-paid non voice component as a percentage of Pre-paid mobile ARPU increased to 22.3% in 2Q-2014 and 22.1% in 1H-2014, up from 19.0% and 18.3% in the same periods last year.

Pay TV Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014	2013	Incr / (Decr)		2014	2013	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Pay TV revenue	98.4	95.6	2.9	3.0	192.2	190.3	1.9	1.0

Pay TV operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun	31 Mar	30 Jun	30 Jun		Incr/(Decr)
	2014	2014	2013	2014	2013	%
Number of residential Pay TV customers (in thousands)	535	533	530	535	530	0.9
ARPU (S\$ per month)	51	52	52	52	52	(0.7)
Average monthly churn rate	0.9%	0.9%	1.1%	0.9%	1.1%	-
StarHub's penetration	41.7%	42.1%	42.7%	41.7%	42.7%	-

Pay TV services revenue rose 3.0% to S\$98.4 million for the quarter, and was 1.0% higher at S\$192.2 million for the half-year period. The higher revenue was due to higher subscription and advertising revenue.

As at 30 June 2014, Pay TV subscriber base was 535,000 after the quarter's net addition of 1,100 subscribers. Compared to a year ago, this was higher by 5,000 customers or 0.9% increase.

YoY, this quarter's Pay TV ARPU at S\$51 was S\$1 lower, and maintained at S\$52 for the half-year period.

For the quarter and half-year periods, Pay TV monthly average churn reduced from 1.1% to 0.9%, as a result of our proactive retention initiatives and attractive content packaging and product bundles.

Broadband Services

	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014	2013	Incr / (Decr)		2014	2013	Incr / (Decr)	
	S\$m	S\$m	S\$m	%	S\$m	S\$m	S\$m	%
Broadband revenue	51.0	61.7	(10.6)	(17.2)	104.9	124.1	(19.2)	(15.4)

Broadband operating statistics	Quarter ended			Half Year ended		YoY
	30 Jun	31 Mar	30 Jun	30 Jun		Incr/(Decr)
	2014	2014	2013	2014	2013	%
Number of residential broadband customers - subscription-based (in thousands)	456	451	442	456	442	3.1
ARPU (S\$ per month)	37	39	45	38	45	(15.9)
Average monthly churn rate	1.1%	1.0%	1.4%	1.1%	1.3%	-

YoY, Broadband services revenue was 17.2% lower at S\$51.0 million for the quarter, and decreased 15.4% to S\$104.9 million for the half-year period. This was primarily due to price competition in the market which lowered the subscription revenue from re-contracts and new customers. Consequently, ARPU for the quarter was lower at S\$37 and for the half-year period at S\$38 when compared to S\$45 last year.

Broadband subscriber base grew to 456,000 as at 30 June 2014, after the quarter's net addition of 4,700 subscribers. Compared to a year ago, this was higher by 13,600 customers or 3.1% increase.

Broadband average monthly churn reduced to 1.1% in current periods, down from 1.4% in 2Q-2013 and 1.3% in 1H-2013, as a result of our proactive retention programs and promotional product bundles.

Fixed Network Services

Fixed Network Services Revenue	Quarter ended 30 Jun				Half Year ended 30 Jun			
	2014 S\$m	2013 S\$m	Incr / (Decr) S\$m %		2014 S\$m	2013 S\$m	Incr / (Decr) S\$m %	
Data & Internet	77.4	73.2	4.2	5.7	154.0	145.2	8.8	6.1
Voice services	14.6	16.8	(2.2)	(13.1)	28.2	33.1	(4.9)	(14.9)
Total	92.0	90.0	2.0	2.2	182.2	178.3	3.9	2.2

Compared to the corresponding periods last year, Fixed Network services revenue increased 2.2% to S\$92.0 million for the quarter and S\$182.2 million for the half-year period. The increase was due to higher revenue from Data & Internet services, which mitigated the decrease in our Voice services revenue.

Data & Internet services revenue rose 5.7% to S\$77.4 million in 2Q-2014 and increased 6.1% to S\$154.0 million in 1H-2014, driven by higher subscription for our domestic leased circuits, connectivity plus solutions and internet services.

YoY, voice services revenue decreased 13.1% to S\$14.6 million for the quarter and was 14.9% lower at S\$28.2 million for the half-year period. The decrease was due to lower local voice services which were impacted by price changes and reduced IDD usages.

Hubbing (Multi-Service Households)

Hubbing Metrics	As at			YoY Incr/(Decr) %
	30 Jun 2014	31 Mar 2014	30 Jun 2013	
Total Singapore occupied homes (in thousands, estimated) ⁽¹⁾	1,210	1,210	1,197	1.1
Total hubbing households with at least one service of post-paid mobile, pay TV and/or broadband services (in thousands)	771	772	777	(0.7)
Percentage of total hubbing households which subscribe to any two services	28.2%	28.2%	28.8%	(0.6)% pts
Percentage of total hubbing households which subscribe to all three services	30.4%	29.8%	28.2%	2.2% pts
Percentage of total hubbing households which subscribe to two or more services	58.6%	58.0%	57.0%	1.6% pts

Note:

(1) Source: Nielsen Media Research for 2013 estimates

For the quarter, we added 4,000 households to our triple hubbing services households to reach 234,000 households as at 30 June 2014. Compared to a year ago, this was 6.9% higher. As a ratio of total hubbing households, the triple services households rose from 28.2% a year ago to 30.4% as at 30 June 2014.

The ratio of households who subscribed to two or more services as at 30 June 2014 was higher at 58.6% of total hubbing households compared to 57.0% a year ago.

3. GROUP CASH FLOW STATEMENT

	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2014 S\$m	2013 S\$m	2014 S\$m	2013 S\$m
Operating Activities				
Profit before taxation	114.8	121.0	220.4	230.7
Adjustments for :				
Depreciation and amortisation (net of asset grants)	68.7	66.6	135.3	134.7
Loss / (Profit) on disposal of fixed assets	0.0	0.3	0.0	0.2
Income related grants	(5.3)	(10.4)	(17.4)	(25.5)
Share-based payments expenses	3.3	1.5	5.1	3.7
Changes in fair value of financial instruments	0.3	(0.1)	1.2	(0.9)
Net finance expenses	3.9	3.9	8.9	8.1
Other non-cash items	0.3	0.2	0.5	0.5
Operating cash flow before working capital changes	186.0	183.0	354.0	351.5
Changes in working capital	3.7	8.0	7.6	(5.8)
Income tax (paid) / refund	(32.7)	(36.6)	(32.6)	(52.6)
Net cash from operating activities	157.0	154.4	329.0	293.1
Investing Activities				
Proceeds from disposal of fixed assets	0.2	0.1	0.5	0.2
Purchase of fixed assets	(95.1)	(90.1)	(162.5)	(136.7)
Interest received	0.8	0.8	1.2	1.3
Net cash used in investing activities	(94.1)	(89.2)	(160.8)	(135.2)
Financing Activities				
Proceeds from exercise of share options	0.1	0.3	0.4	0.5
Grants received	0.4	15.5	15.7	15.5
Dividends paid	(172.6)	(172.1)	(172.6)	(172.1)
Finance expenses paid	(1.6)	(2.1)	(10.1)	(10.0)
Net cash used in financing activities	(173.7)	(158.4)	(166.6)	(166.1)
Net change in cash and cash equivalents	(110.8)	(93.2)	1.6	(8.2)
Exchange difference on cash and cash equivalents	(0.0)	0.3	(0.0)	0.5
Cash and cash equivalents at beginning of the period	379.3	397.3	266.9	312.0
Cash and cash equivalents at end of the period	268.4	304.3	268.4	304.3

Compared to 2Q-2013, this quarter's net cash from operating activities increased S\$2.6 million to S\$157.0 million, contributed by higher cash flows from operations, lower income tax payment and offset by lower positive working capital changes. For the half-year period, net cash from operating activities were S\$35.9 million higher at S\$329.0 million compared to S\$293.1 million in 1H-2013.

This quarter's positive working capital changes of S\$3.7 million was primarily due to higher net balance due to related parties amounting to S\$27.8 million, offset by higher trade receivables of S\$18.3 million and a reduced trade and other payables of S\$5.7 million. For the half-year period, higher net balance due to related parties, coupled with lower inventories and other receivables, deposits and prepayments balances, offset by higher trade receivables as well as lower trade and other payables were the main factors contributing to the positive working capital changes of S\$7.6 million in 1H-2014.

Compared to the corresponding periods last year, net cash outflow from investing activities was higher at S\$94.1 million for the quarter and S\$160.8 million for the half-year period, mainly due to higher CAPEX payments in current periods for capacity upgrade, mobile LTE project and set top boxes. For the quarter and half-year periods, CAPEX payments totaled S\$95.1 million and S\$162.5 million respectively. As a percentage of revenue, year-to-date CAPEX payments ratio rose to 14.2% in 1H-2014, up from 11.7% in 1H-2013.

With a higher CAPEX payment in this quarter offsetting the increase in net cash from operating activities, this quarter's free cash flow was S\$2.4 million lower at S\$61.9 million when compared to S\$64.3 million in 2Q-2013. For the half-year period, free cash flow was up S\$10.1 million or 6.5% increase YoY at S\$166.5 million.

Net cash outflow from financing activities increased S\$15.3 million to S\$173.7 million in 2Q-2014, due to lower grant receipts in this quarter of S\$0.4 million as compared to S\$15.5 million in 2Q-2013. Year-to-date net cash outflow from financing activities were S\$0.5 million higher at S\$166.6 million, due to higher payment of dividends to an increased shareholder base.

As at 30 June 2014, the Group's cash and cash equivalents amounted to S\$268.4 million, down from S\$304.3 million a year ago.

Capital expenditure commitments

As of 30 June 2014, the Group's total outstanding capital expenditure commitments were S\$304.9 million. The outstanding commitments include commitments for the 4G spectrum rights of S\$120 million, support systems, expansion and enhancement of our infrastructure and network systems.

4. STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30 Jun 14 S\$m	31 Dec 13 S\$m	30 Jun 14 S\$m	31 Dec 13 S\$m
Non-current assets				
Property, plant and equipment	894.1	857.4	399.1	384.1
Intangible assets	376.8	380.6	88.7	92.1
Subsidiaries	-	-	1,692.1	1,692.1
Balances with related parties	-	-	101.0	123.0
	1,271.0	1,238.0	2,280.9	2,291.3
Current assets				
Inventories	29.5	43.2	22.5	36.7
Trade receivables	143.0	123.5	126.3	108.5
Other receivables, deposits and prepayments	138.5	154.4	25.7	29.8
Balances with related parties	27.3	24.0	150.3	111.3
Cash and cash equivalents	268.4	266.9	201.8	207.5
	606.7	612.0	526.6	493.8
Less:				
Current liabilities				
Trade and other payables	750.0	753.7	299.3	335.3
Balances with related parties	97.0	76.5	553.5	402.8
Provision for taxation	87.9	71.4	43.2	35.0
	934.9	901.6	896.0	773.1
Net current (liabilities)/assets	(328.2)	(289.6)	(369.4)	(279.3)
Non-current liabilities				
Trade and other payables	27.7	28.9	27.7	28.9
Borrowings	687.5	687.5	687.5	687.5
Deferred income	12.2	21.3	-	-
Deferred tax liabilities	120.9	128.0	71.5	75.8
	848.3	865.7	786.7	792.2
Net assets	94.5	82.7	1,124.8	1,219.8
Shareholders' equity				
Share capital	282.3	271.4	282.3	271.4
Reserves	(187.8)	(188.7)	842.4	948.4
Total equity	94.5	82.7	1,124.8	1,219.8

GROUP BALANCE SHEET REVIEW

As at 30 June 2014, the Group's non-current assets amounted to S\$1,271.0 million. The increase of S\$33.0 million in the 1st half of 2014 was attributed to higher net book values of property, plant and equipment, offset by a lower net book value of intangible assets.

Total current assets decreased from S\$612.0 million as at 31 December 2013 to S\$606.7 million as at 30 June 2014, due to lower other receivables, deposits and prepayments, and inventories, mitigated by higher trade receivables, balances due from related parties and cash and cash equivalents.

Compared to 31 December 2013, total current liabilities were S\$33.3 million higher at S\$934.9 million as at 30 June 2014. The increase was due to higher balance due to related parties of S\$20.5 million and provision for taxation of S\$16.5 million, mitigated by lower trade and other payables of S\$3.7 million.

Total non-current liabilities decreased S\$17.4 million to S\$848.3 million as at 30 June 2014, when compared to 31 December 2013. This was due to lower deferred income, deferred tax liabilities and non-current trade and other payables balances.

The Group's shareholders' equity rose S\$11.8 million to S\$94.5 million as at 30 June 2014, from higher share capital for shares issued pursuant to employees' option and share plans, and a higher retained profits after the distribution of dividends in this quarter.

5. GROUP UNSECURED BORROWINGS

Unsecured borrowings	30 Jun 14	31 Dec 13
	S\$m	S\$m
Amount repayable after one year		
Bank loans	467.5	467.5
Medium term note	220.0	220.0
Total	687.5	687.5

As at 30 June 2014, the Group's total borrowings remained unchanged at S\$687.5 million when compared to 31 December 2013.

Net debt at S\$419.1 million as at 30 June 2014 was S\$1.5 million lower compared to 31 December 2013, due to higher cash balances. As a percentage of 2013 EBITDA, the Group's net debt was 0.57 times as at 30 June 2014, comparable to 31 December 2013.

6. STATEMENT OF CHANGES IN EQUITY

Group	Share capital S\$m	Treasury shares S\$m	Goodwill written off S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Translation reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2014	271.4	(0.2)	(276.3)	15.0	(4.2)	0.3	76.7	(188.7)	82.7
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	84.2	84.2	84.2
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	0.1	-	0.1	0.1
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.7	-	-	0.7	0.7
Total comprehensive income for the period	-	-	-	-	0.7	0.1	84.2	85.0	85.0
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	3.6	-	-	(3.3)	-	-	-	(3.3)	0.3
Share-based payments expenses	-	-	-	1.8	-	-	-	1.8	1.8
Total transactions with equity holders of the Company	3.6	-	-	(1.5)	-	-	-	(1.5)	2.1
At 31 Mar 2014	274.9	(0.2)	(276.3)	13.5	(3.5)	0.4	160.9	(105.2)	169.7
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	94.3	94.3	94.3
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	(0.2)	-	(0.2)	(0.2)
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.0)	-	-	(0.0)	(0.0)
Total comprehensive income for the period	-	-	-	-	(0.0)	(0.2)	94.3	94.0	94.0
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	7.4	-	-	(7.3)	-	-	-	(7.3)	0.1
Share-based payments expenses	-	-	-	3.3	-	-	-	3.3	3.3
Transfer from treasury shares to share-based payments reserve	-	0.2	-	(0.2)	-	-	-	(0.0)	(0.0)
Dividends paid	-	-	-	-	-	-	(172.6)	(172.6)	(172.6)
Total transactions with equity holders of the Company	7.4	0.2	-	(4.2)	-	-	(172.6)	(176.6)	(169.2)
At 30 Jun 2014	282.3	-	(276.3)	9.3	(3.6)	0.1	82.7	(187.8)	94.5

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Group	Share capital S\$m	Treasury shares S\$m	Goodwill written off S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Translation reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2013	263.1	(0.2)	(276.3)	13.7	(7.0)	-	50.2	(219.6)	43.5
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	91.2	91.2	91.2
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	0.3	-	0.3	0.3
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.0	-	-	0.0	0.0
Total comprehensive income for the period	-	-	-	-	0.0	0.3	91.2	91.4	91.4
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	7.2	-	-	(7.0)	-	-	-	(7.0)	0.2
Share-based payments expenses	-	-	-	2.2	-	-	-	2.2	2.2
Total transactions with equity holders of the Company	7.2	-	-	(4.8)	-	-	-	(4.8)	2.4
At 31 Mar 2013	270.3	(0.2)	(276.3)	8.9	(7.0)	0.3	141.4	(133.0)	137.3
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	100.6	100.6	100.6
Other comprehensive income									
Foreign currency translation differences	-	-	-	-	-	0.3	-	0.3	0.3
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	3.3	-	-	3.3	3.3
Total comprehensive income for the period	-	-	-	-	3.3	0.3	100.6	104.2	104.2
Transactions with equity holders of the Company, recognised directly in equity									
<i>Contributions by and distributions to equity holders of the Company</i>									
Issue of shares pursuant to share plans	0.8	-	-	(0.5)	-	-	-	(0.5)	0.3
Share-based payments expenses	-	-	-	1.5	-	-	-	1.5	1.5
Dividends paid	-	-	-	-	-	-	(172.1)	(172.1)	(172.1)
Total transactions with equity holders of the Company	0.8	-	-	1.0	-	-	(172.1)	(171.1)	(170.3)
At 30 Jun 2013	271.1	(0.2)	(276.3)	9.9	(3.8)	0.5	69.9	(199.9)	71.2

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Company	Share capital S\$m	Treasury shares S\$m	Merger/ Capital reserve S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2014	271.4	(0.2)	276.5	15.0	(4.2)	661.3	948.4	1,219.8
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	39.9	39.9	39.9
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.7	-	0.7	0.7
Total comprehensive income for the period	-	-	-	-	0.7	39.9	40.6	40.6
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	3.6	-	-	(3.3)	-	-	(3.3)	0.3
Share-based payments expenses	-	-	-	1.8	-	-	1.8	1.8
Total transactions with equity holders of the Company	3.6	-	-	(1.5)	-	-	(1.5)	2.1
At 31 Mar 2014	274.9	(0.2)	276.5	13.5	(3.5)	701.2	987.5	1,262.4
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	31.6	31.6	31.6
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	(0.0)	-	(0.0)	(0.0)
Total comprehensive income for the period	-	-	-	-	(0.0)	31.6	31.6	31.6
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	7.4	-	-	(7.3)	-	-	(7.3)	0.1
Share-based payments expenses	-	-	-	3.3	-	-	3.3	3.3
Transfer from treasury shares to share-based payments reserve	-	0.2	-	(0.2)	-	-	(0.0)	(0.0)
Dividends paid	-	-	-	-	-	(172.6)	(172.6)	(172.6)
Total transactions with equity holders of the Company	7.4	0.2	-	(4.2)	-	(172.6)	(176.6)	(169.2)
At 30 Jun 2014	282.3	-	276.5	9.3	(3.6)	560.2	842.4	1,124.8

6. STATEMENT OF CHANGES IN EQUITY (CONT'D)

Company	Share capital S\$m	Treasury shares S\$m	Merger/ Capital reserve S\$m	Share-based payments reserve S\$m	Hedging reserve S\$m	Retained profits S\$m	Total reserves S\$m	Total equity S\$m
At 1 Jan 2013	263.1	(0.2)	276.5	13.7	(7.0)	681.2	964.2	1,227.3
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	60.1	60.1	60.1
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	0.0	-	0.0	0.0
Total comprehensive income for the period	-	-	-	-	0.0	60.1	60.1	60.1
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	7.2	-	-	(7.0)	-	-	(7.0)	0.2
Share-based payments expenses	-	-	-	2.2	-	-	2.2	2.2
Total transactions with equity holders of the Company	7.2	-	-	(4.8)	-	-	(4.8)	2.4
At 31 Mar 2013	270.3	(0.2)	276.5	8.9	(7.0)	741.4	1,019.6	1,289.9
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	73.4	73.4	73.4
Other comprehensive income								
Effective portion of changes in fair value of cash flow hedge (net of taxation)	-	-	-	-	3.3	-	3.3	3.3
Total comprehensive income for the period	-	-	-	-	3.3	73.4	76.7	76.7
Transactions with equity holders of the Company, recognised directly in equity								
<i>Contributions by and distributions to equity holders of the Company</i>								
Issue of shares pursuant to share plans	0.8	-	-	(0.5)	-	-	(0.5)	0.3
Share-based payments expenses	-	-	-	1.5	-	-	1.5	1.5
Dividends paid	-	-	-	-	-	(172.1)	(172.1)	(172.1)
Total transactions with equity holders of the Company	0.8	-	-	1.0	-	(172.1)	(171.1)	(170.3)
At 30 Jun 2013	271.1	(0.2)	276.5	9.9	(3.8)	642.7	925.2	1,196.3

7. CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

As at 30 June 2014, the share capital of the Company was S\$282.3 million comprising 1,726,103,875 issued ordinary shares (excluding treasury shares). As at 31 December 2013, this was S\$271.4 million or 1,721,412,710 ordinary shares (excluding treasury shares).

Issue of new shares

For the quarter and six months ended 30 June 2014, the Company issued a total of 3,010,512 and 4,618,377 new ordinary shares respectively to employees pursuant to the Company's obligations under its share-based plans as follows:

Number of new ordinary shares issued:	2Q 2014	1H 2014
For the exercise of options by participants pursuant to the Company's share option plans (exercise price ranged from S\$0.96 to S\$1.52)	86,400	280,885
For payout to participants of the Company's Performance and Restricted Share Plans via the transfer from the Company's share-based payment reserve	2,924,112	4,337,492
Total	3,010,512	4,618,377

Treasury Shares

For the quarter and half year ended 30 June 2014, the Company transferred 72,788 treasury shares to participants of the Company's share plans, and there was no purchase of shares from the market.

As at 30 June 2014, the Company does not hold any treasury shares (30 June 2013: 72,788 treasury shares or 0.004% of issued share capital excluding treasury shares).

Outstanding Shares – Employees' Share-Based Plans

Share Option Plans

As at 30 June 2014, the outstanding balance of unexercised options under the Company's share option plans totaled 497,095 (30 June 2013: 1,153,275) or 0.03% of the total issued shares in the capital of the Company.

Performance Share Plan

As at 30 June 2014, the outstanding balance of conditional awards under the Performance Share Plan was 1,948,766 ordinary shares (30 June 2013: 2,248,900 ordinary shares).

Restricted Stock Plan

As at 30 June 2014, the outstanding balance of conditional awards under the Restricted Stock Plan was 5,848,400 ordinary shares (30 June 2013: 4,753,000 ordinary shares).

8. AUDIT

The financial statements have not been audited or reviewed.

9. AUDITORS' REPORT

Not applicable.

10. ACCOUNTING POLICIES

The Group and the Company have applied the same accounting policies and method of computation as in the most recently audited financial statements for the year ended 31 December 2013.

In the current financial period, the Group and the Company have adopted all the new and revised Financial Reporting Standards (FRSs) and Interpretations of FRSs (INT FRSs) that are relevant to its operations and effective for annual periods beginning on 1 January 2014. The adoption of these new/revised FRSs and INT FRSs does not result in substantial changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior periods.

11. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Not applicable.

12. GROUP EARNINGS PER ORDINARY SHARE

	Quarter ended 30 Jun		Half Year ended 30 Jun	
	2014	2013	2014	2013
Basic				
Earnings per share	5.5 cents	5.8 cents	10.4 cents	11.1 cents
Weighted average number of shares ('000)	1,726,058	1,721,084	1,724,505	1,720,155
Diluted				
Earnings per share	5.4 cents	5.8 cents	10.3 cents	11.1 cents
Weighted average number of shares ('000)	1,733,257	1,728,933	1,731,768	1,728,086

13. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 Jun 2014	31 Dec 2013	30 Jun 2014	31 Dec 2013
Net asset value per share	5.5 cents	4.8 cents	65.2 cents	70.9 cents

14. ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS

For the half year ended 30 June 2014, the Group's service revenue was 1.2% lower YoY. This was below our guidance of service revenue to grow in the low single-digit range.

EBITDA margin at 33.3% of service revenue in 1H-2014 was above our guidance of EBITDA margin at about 32% of service revenue.

Year-to-date CAPEX payments at 14.2% of total revenue were above our guidance for 2014 at about 13% of total revenue.

15. GROUP OUTLOOK

We expect the Group's revenue growth to be driven mainly by our fixed network and mobile services. In our mobile business, our tiered data subscribers as at 30 June 2014 have expanded to 57% of our post-paid mobile customer's base, thereby driving further increases in data traffic and usages. Increased penetration into the Enterprise segment should support our mobile growth, while enterprise solutions and services for our corporate and SME customers should similarly drive fixed network growth.

In the home segment, Pay TV is expected to grow moderately as we continuously strengthen our content offering and packaging to cater to the evolving customer needs across various platforms. Intense competition in the residential broadband market will continue to place pricing pressure on our broadband revenue.

Based on the current outlook, and barring any unforeseen circumstances, we revise our service revenue guidance and expect the Group's 2014 service revenue to be maintained at about 2013's level. We maintain our guidance on Group EBITDA margin to be about 32% on service revenue and total CAPEX payments in 2014 are expected to be about 13% of our total revenue. We intend to maintain our annual cash dividend payout of 20 cents per ordinary share for 2014.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our 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. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, you are urged to view all forward-looking statements contained in this release with caution.

16. DIVIDENDS

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash; Tax exempt (1-tier) dividend
Dividend Amount	S\$0.05 per ordinary share
Tax Rate	Exempt (1-tier)

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim
Dividend Type	Cash; Tax exempt (1-tier) dividend
Dividend Amount	S\$0.05 per ordinary share
Tax Rate	Exempt (1-tier)

(c) Date payable

The interim dividend will be paid on 28 August 2014.

(d) Book closure date

Notice is hereby given that the Register of Members and the Transfer Books of the Company will be closed on 14 August 2014 ("Book Closure Date") for the purpose of determining members' entitlement to the interim dividend.

Duly completed registrable transfers received by the Company's Share Register, M & C Services Private Limited, 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906 up to the close of the business at 5.00 p.m. on 13 August 2014 ("Entitlement Date") will be registered to determine members' entitlement to the interim dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Entitlement Date will be entitled to the interim dividend.

17. IF NO DIVIDEND HAVE BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT

Not applicable.

18. INTERESTED PERSON TRANSACTIONS

	Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than S\$100,000) 1 April 2014 to 30 June 2014 S\$m
Transactions for the Sale of Goods & Services	
Singapore Airlines Limited & its associates	0.7
Singapore Telecommunications Limited & its associates	10.2
TeleChoice International Ltd & its associates	0.5
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	0.6
	12.1
Transactions for the Purchase of Goods & Services	
Singapore Power Limited & its associates	6.4
Singapore Telecommunications Limited & its associates	19.2
TeleChoice International Ltd & its associates	62.6
Temasek Holdings (Private) Limited & its associates (other than those disclosed above)	0.4
	88.7

There are no interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual) entered into by StarHub Ltd and its subsidiaries for the period 1 April to 30 June 2014.

19. NEGATIVE ASSURANCE CONFIRMATION

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the above unaudited financial results for the second quarter and half year ended 30 June 2014 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Tan Guong Ching
Director

Tan Tong Hai
Director

Singapore
5 August 2014