



DARE
— TO EVOLVE —

STARHUB LTD
Annual Report 2018

StarHub 1Q-2019 Results

3 May 2019

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



1Q2019 Highlights



Financial Highlights



FY2019 Outlook

Overview (1Q2019 vs 1Q2018)



- ❖ **Total revenue:** \$597 M, \$563 M (+6.0% YoY);
- ❖ **EBITDA:** \$162 M, \$154 M (+5.1% YoY);
- ❖ **Service EBITDA margins:** 33.7%, 31.7% (+2.0% pts);
- ❖ **Investments:** \$45 M, \$68 M (-33.0% YoY)
- ❖ **PATMI:** \$54 M, \$63 M (-14.2% YoY)
- ❖ **NPAT:** \$49 M, \$64 M (-23.3% YoY);
- ❖ **Enterprise Business:** solid revenue growth of 14.1% YoY
 - *Cyber security:* 41.4% YoY revenue jump

Key Financial Highlights

S\$M	1Q-2019	1Q-2018	Change
Total Revenue	597	563	6%
Service Revenue	444	448	-1%
EBITDA	162	154	5%
Service EBITDA [#]	150	142	5%
Service EBITDA Margin	33.7%	31.7%	2.0%pts
Taxation	(14)	(13)	7%
Net Profit After Tax [^]	49	64	-23%
Capex Commit	10	17	-40%
% of Capex Commit to Revenue	1.7%	3.1%	-1.3%pts
FCF / Fully Diluted Shares	1.23¢	0.57¢	116 %
Net Debt to TTM EBITDA Ratio	1.49x	1.04x	0.45x

[#] 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

Revenue Contribution

Total Revenue	First Quarter Ending 31 March			
	2019	2018	Incr / (Decr)	Incr / (Decr)
	S\$m	S\$m	S\$m	%
Mobile services	192.3	203.0	(10.7)	(5.3)
Pay TV services	70.7	80.7	(10.0)	(12.4)
Broadband services	47.1	47.2	(0.1)	(0.3)
Enterprise Business	134.1	117.5	16.6	14.1
Total Service Revenue	444.3	448.5	(4.2)	(0.9)
Sales of Equipment	152.5	114.5	38.0	33.2
Total Revenue	596.8	563.0	33.8	6.0

Mobile & Pay TV (1Q-2019 vs 1Q-2018)



- Post-paid customer base increased 74k
- Post-paid ARPU decreased S\$4 to S\$39
- Post-paid average data usage at 6.3Gb

- TV revenue decreased 12%
- ARPU decreased S\$3 to S\$48
- Customer base decreased 55k



Broadband & Enterprise (1Q-2019 vs 1Q-2018)



- Broadband revenue stable
- ARPU decreased S\$2 to S\$31
- Customer base increased by 27k

- Data & Internet revenue decreased 2%
- Managed services increased 44%
- Voice revenue increased 23%
- Cyber security revenue increased 41%



1Q2019 Highlights

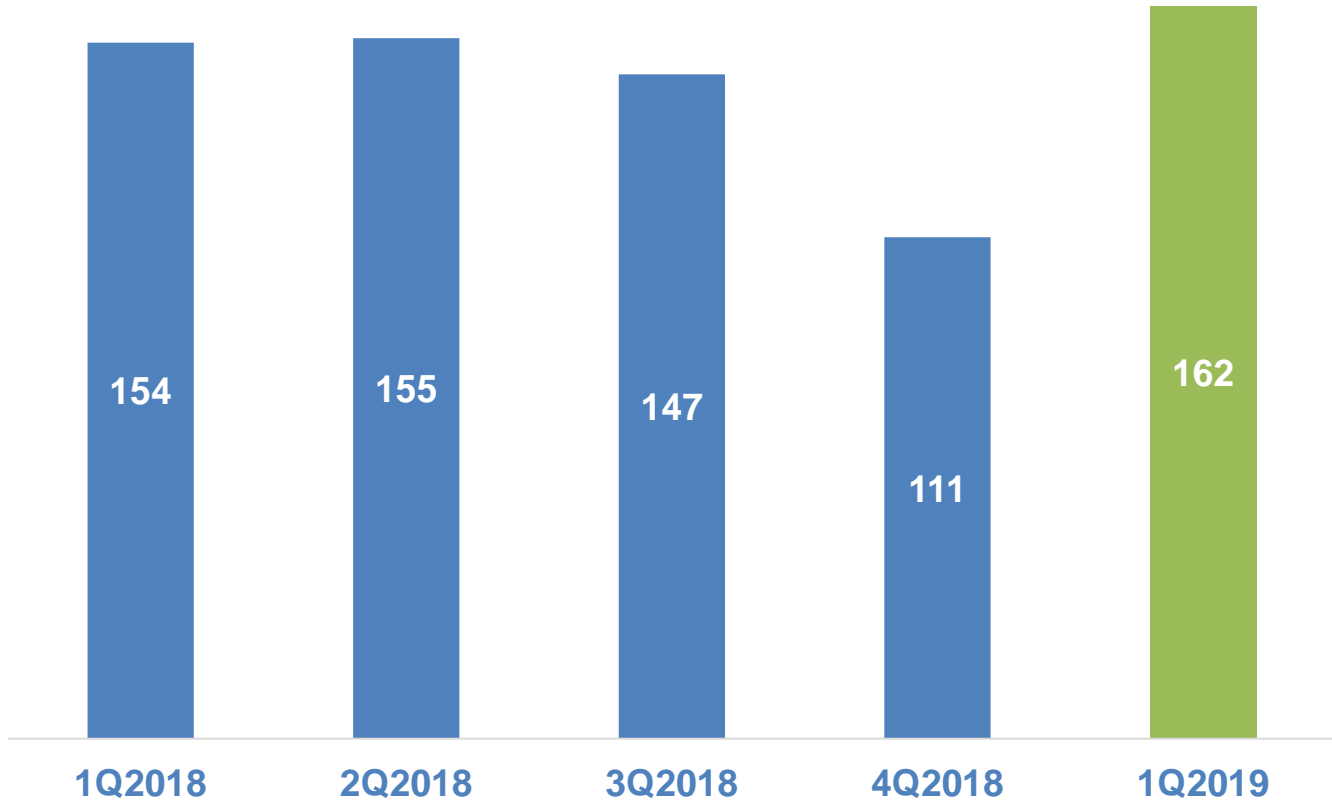
Financial Highlights

FY2019 Outlook



EBITDA

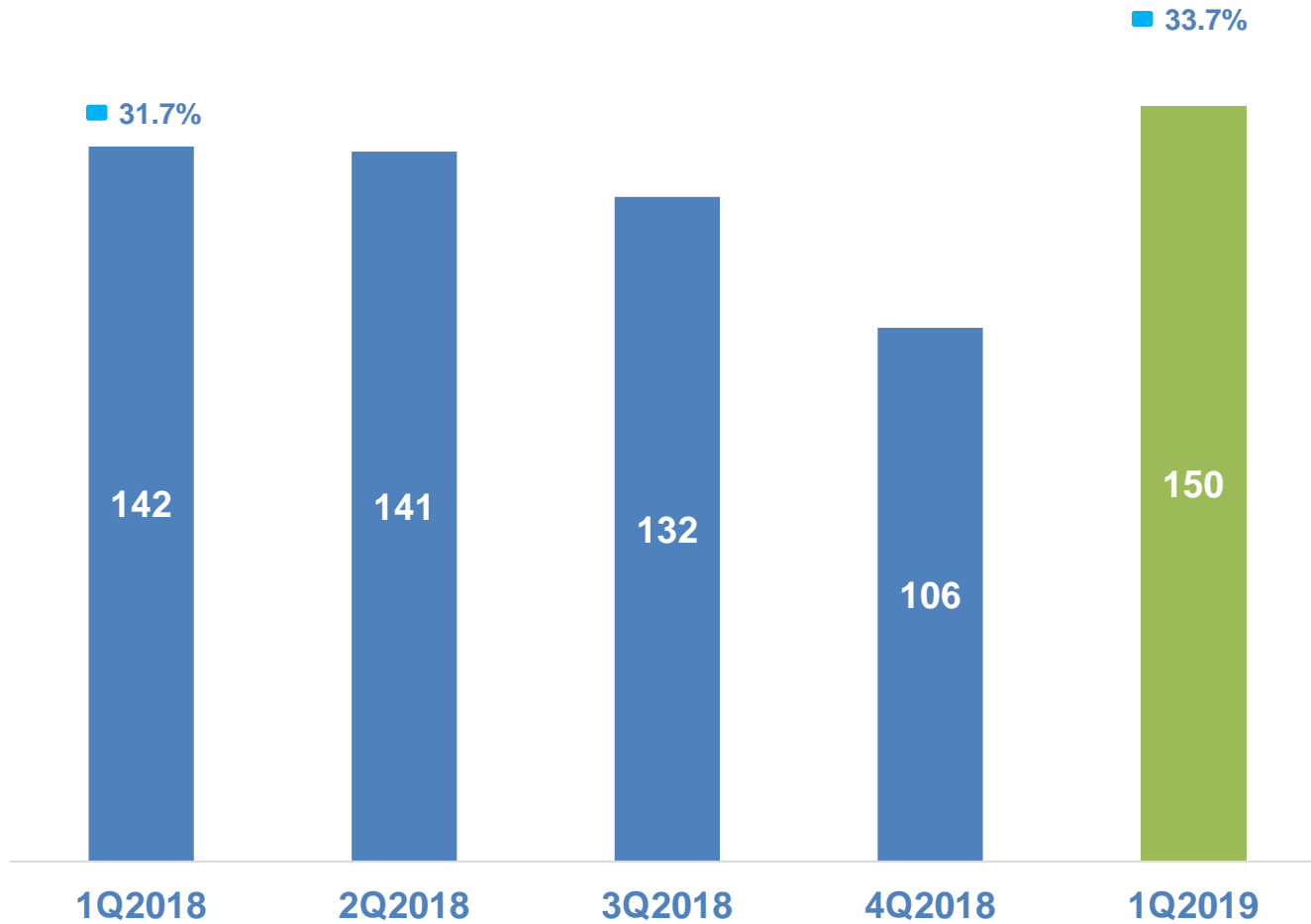
(S\$M)





Service EBITDA & Service EBITDA Margin

(S\$M)

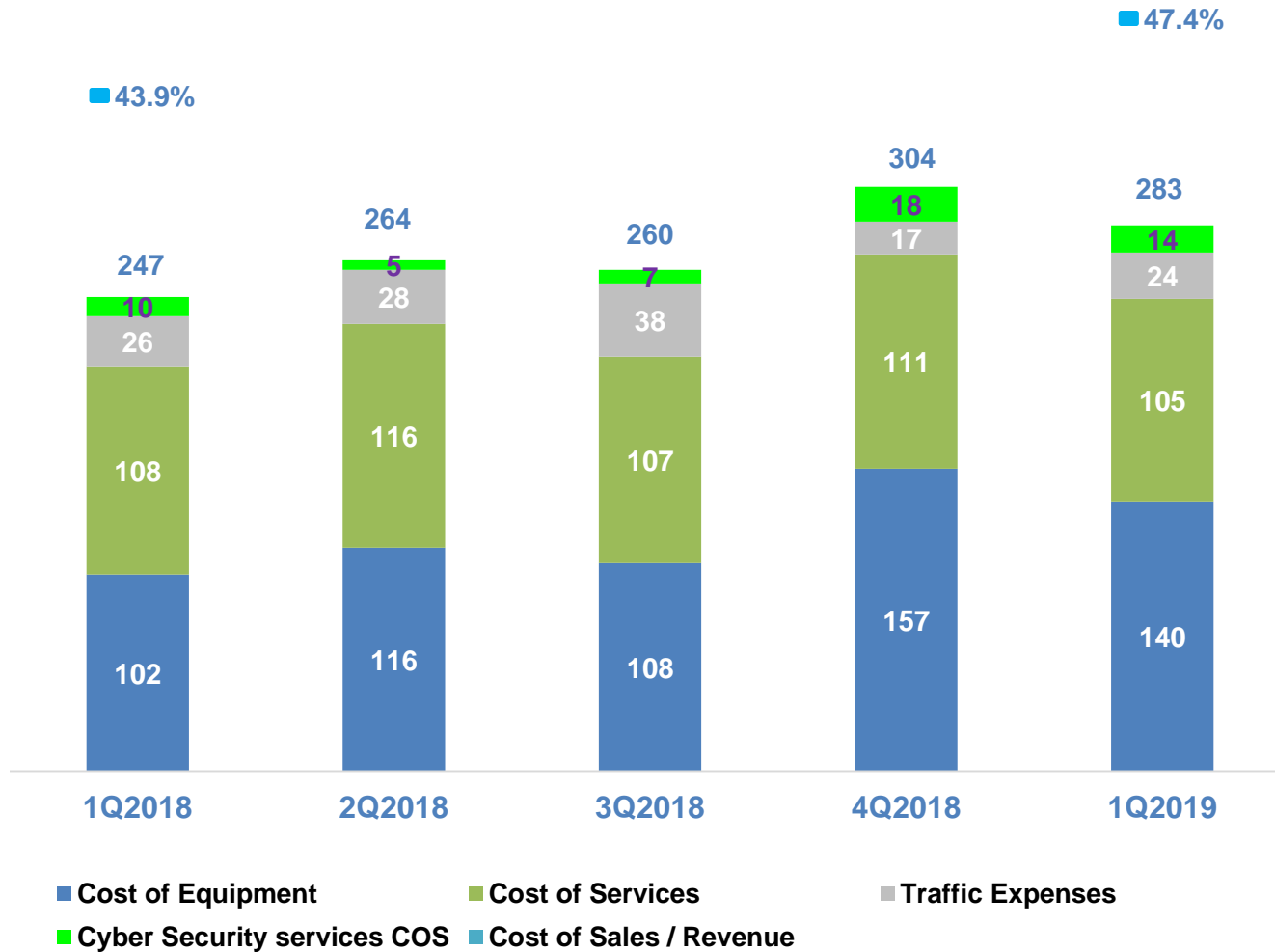


■ Service EBITDA Margin as % of Service Revenue

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

Cost Of Sales

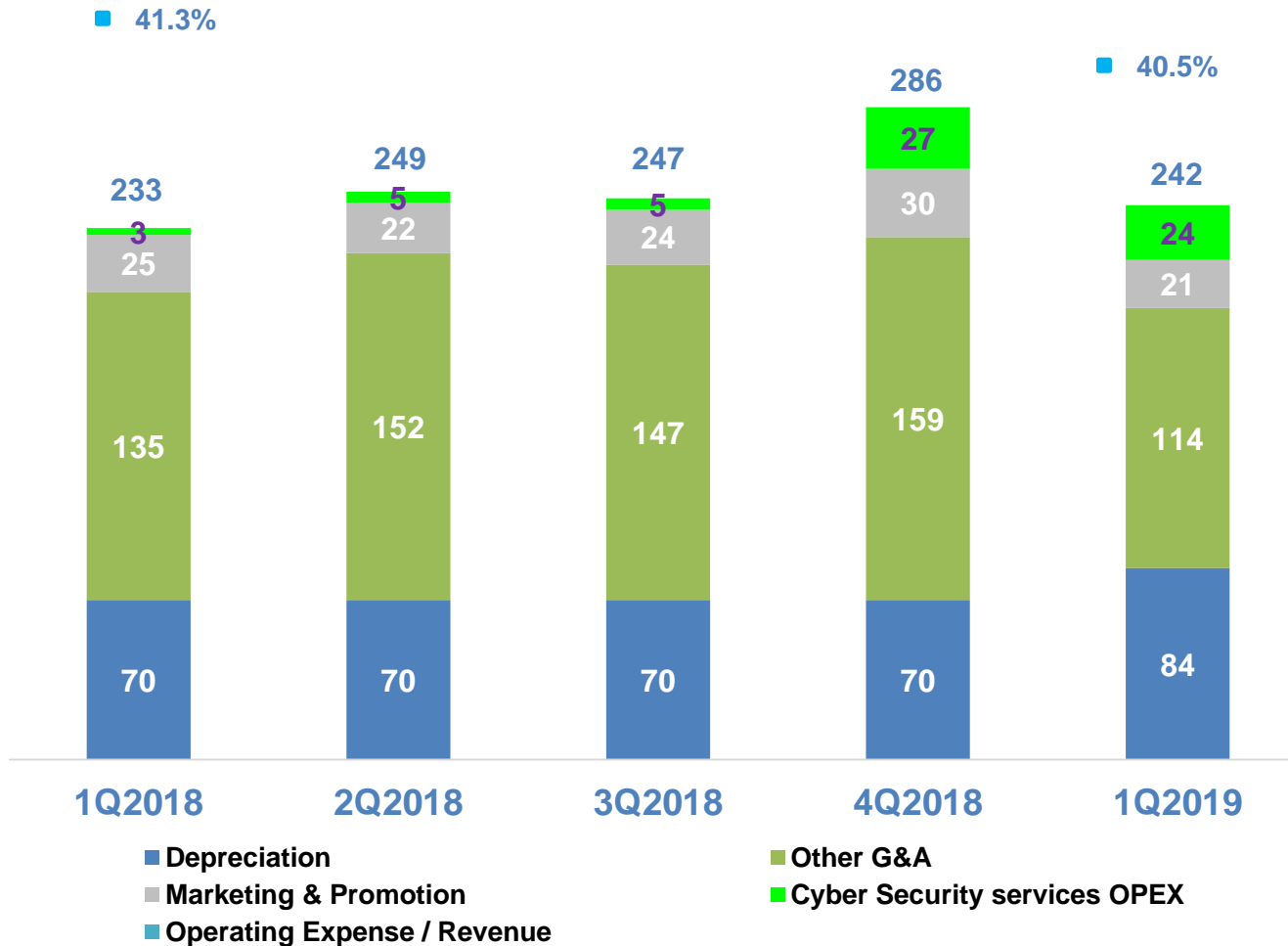
(S\$M)



* Numbers may not add up due to rounding.

Other Operating Expenses

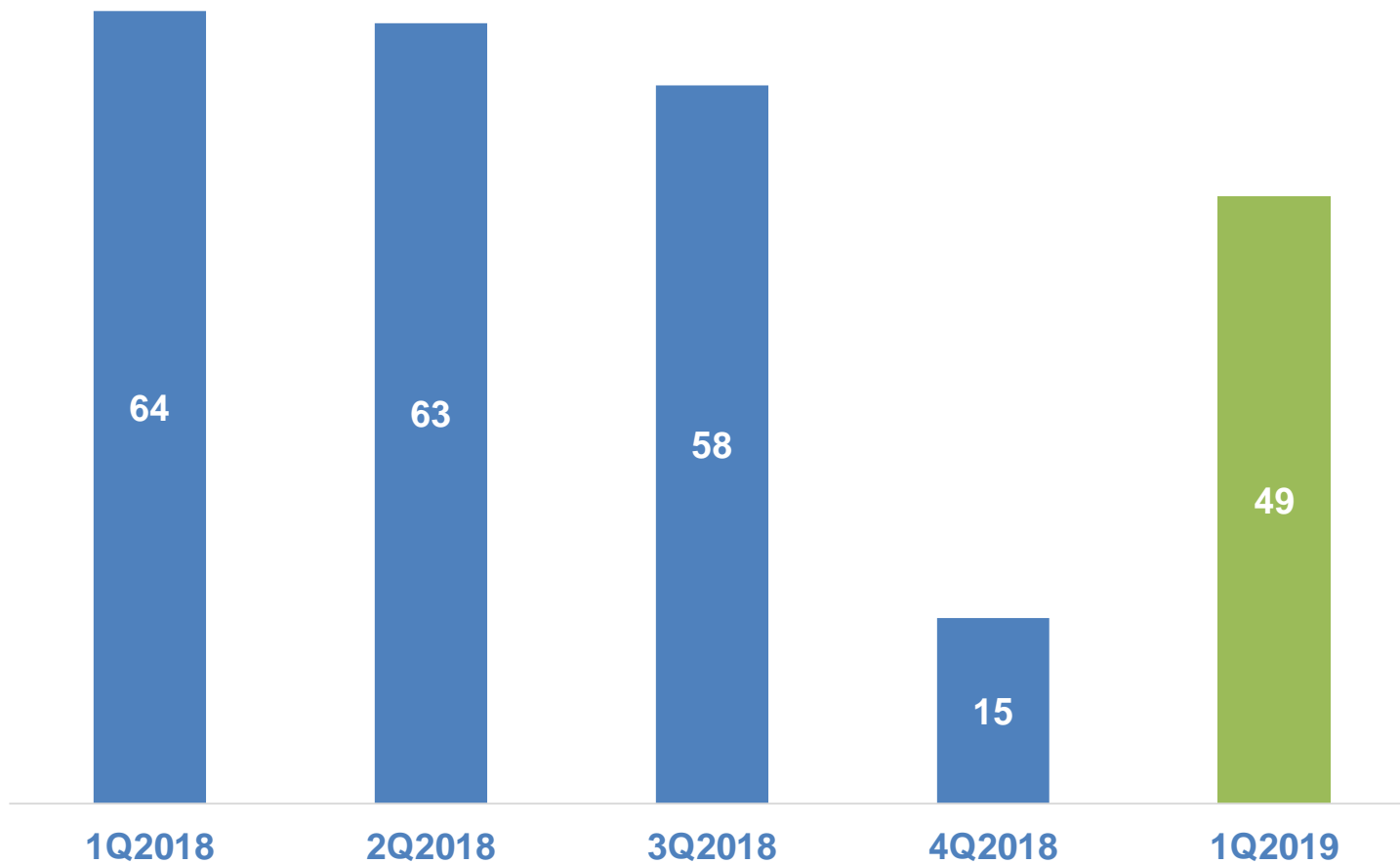
(S\$M)



* Numbers may not add up due to rounding.

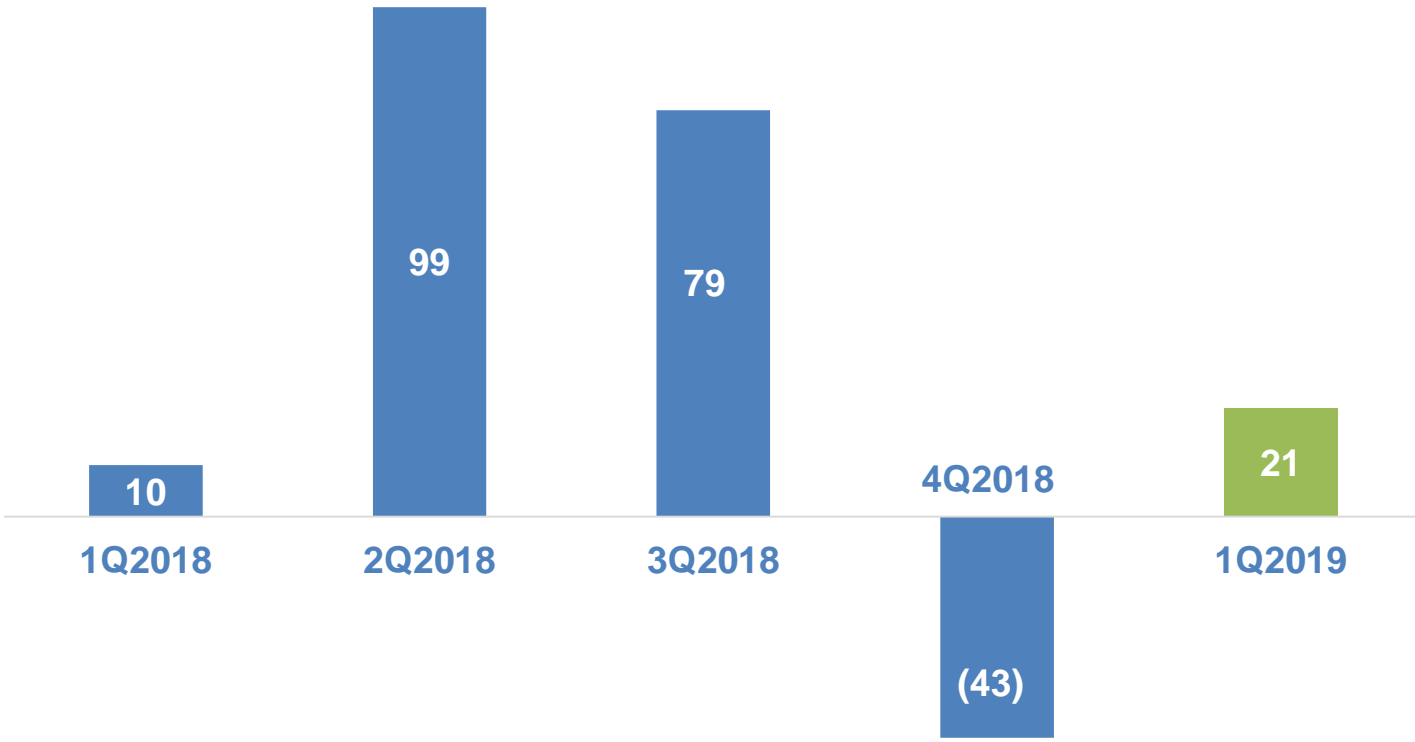
Net Profit After Tax

(S\$M)



Free Cash Flow

(S\$M)



1Q2019 Highlights

Financial Highlights

FY2019 Outlook

FY2019 Outlook

- ❖ Revenue: Expect service revenue to be stable to a decline of 2% YoY

- ❖ Service EBITDA*: Expect service EBITDA margin to be between 30% - 32%
(after SFRS(I) 16 adoption)

- ❖ CAPEX: Expect CAPEX commitment to be 11% - 12% of total revenue
(excludes spectrum payment of S\$282 million)

- ❖ Dividend: Declare a quarterly cash dividend of 2.25 cents per ordinary share for 1Q2019

Intend to pay a quarterly cash dividend of 2.25 cents per ordinary share for FY2019 or at least 80% of net profit attributable to shareholders as dividend (whichever is greater)

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



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