

NETLINK NBN TRUST'S THIRD QUARTER AND NINE MONTHS FY19 RESULTS CONTINUE TO OUTPERFORM IPO PROJECTION

- **Q3 FY19 EBITDA and Profit After Tax exceeded projections by 3.7% and 17.6% respectively**
- **1,283,801 Residential and 45,734 Non-Residential End-User Connections**

Summary of the Trust Group's Results

S\$'million	1 Oct 2018 to 31 Dec 2018 ("Q3 FY19")			1 Apr 2018 to 31 Dec 2018 ("9M FY19")		
	Actual	Projection ¹	Variance (%)	Actual	Projection ¹	Variance (%)
Revenue	89.0	86.1	3.4	265.7	254.8	4.3
EBITDA	62.8	60.6	3.7	185.1	178.4	3.8
EBITDA Margin (%)	70.6	70.4	0.2pp	69.6	70.0	(0.4pp)
Profit After Tax	19.6	16.7	17.6	57.3	47.8	20.1

SINGAPORE, 13 February 2019 – NetLink NBN Management Pte. Ltd., the Trustee-Manager of NetLink NBN Trust (网联宽频信托) (NetLink NBN Trust, together with its subsidiaries, the "Trust Group") announced today that its EBITDA and Profit After Tax for the three months from 1 October 2018 to 31 December 2018 ("Q3 FY19") exceeded projections by 3.7% and 17.6%, respectively. For the financial period from 1 April 2018 to 31 December 2018 ("9M FY19"), EBITDA and Profit After Tax outperformed projections by 3.8% and 20.1%, respectively.

The joint issue managers of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., and UBS AG, Singapore Branch. The joint underwriters of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte., UBS AG, Singapore Branch, Merrill Lynch (Singapore) Pte. Ltd., Citigroup Global Markets Singapore Pte. Ltd., The Hong Kong and Shanghai Banking Corporation Limited, Singapore Branch, Oversea-Chinese Banking Corporation Limited, and United Overseas Bank Limited. The joint issue managers and joint underwriters of the initial public offering assume no responsibility for the contents of this announcement.

¹ Projections for Q3 FY19 and 9M FY19 were part of the Projection Year 2019's projections disclosed in the prospectus dated 10 July 2017

Mr. Tong Yew Heng (唐耀兴), Chief Executive Officer of the Trustee-Manager, said, “Our highly resilient business model continued to deliver results that have exceeded projections. We expect a steady growth in the number of connections as more end-users migrate to fibre. We will continue to invest in our network to deliver sustainable growth and value to all our unitholders.”

RESILIENT BUSINESS

In Q3 FY19, the Trust Group posted revenue of S\$89.0 million, 3.4% higher than projected. Besides achieving higher than projected revenue from residential connection, non-residential connections and NBAP & Segment connections, the Trust Group’s top line performance was also driven by higher diversion revenue from completed projects mainly for government agencies as well as higher ducts and manholes service revenue. This was partially offset by the lower than projected installation-related revenue.

Total expenses for Q3 FY19 amounted to S\$71.7 million, which was 0.4% lower than projection. This was mainly attributed to lower depreciation and amortisation expenses, finance costs and other operating expenses, which were partially offset by higher operation and maintenance costs and diversion costs which are in line with higher revenue.

The Trust Group’s EBITDA of S\$62.8 million was higher than projected by 3.7%, while Profit After Tax of S\$19.6 million was above projection by 17.6%.

In 9M FY19, the Trust Group achieved revenue of S\$265.7 million, 4.3% higher than projected. The Trust Group achieved EBITDA and Profit After Tax of S\$185.1 million and S\$57.3 million for 9M FY19, which were 3.8% and 20.1% higher than projected, respectively.

As at 31 December 2018, there were 1,283,801 residential connections and 45,734 non-residential end-user connections, compared to 1,241,018 residential end-user connections and 45,514 non-residential end-user connections as of 30 September 2018. This

represents an increase of 3.4% and 0.5% respectively compared to the end of the previous quarter. NBAP connections increased by 14.2% to 1,462 connections compared to the end of the previous quarter.

STABLE CASH FLOW GENERATION TO SUPPORT UNITHOLDER RETURNS

The Trust Group reported steady net cash generated from operating activities of S\$168.8 million and S\$61.6 million for 9M FY19 and Q3 FY19 respectively.

As disclosed in the Prospectus, the Trust Group has a stated policy to make distributions on a semi-annual basis. Accordingly, the next distribution period will be for the six months ended 31 March 2019.

OUTLOOK

Notwithstanding the lower than projected installation revenue as highlighted in the previous announcement, the Trust Group expects to achieve the projected revenue as stated in the Prospectus for FY19 due to the better year-to-date performance.

The Trust Group is continuing to expand its network in new housing estates. The Trust Group has also been working proactively with the RLs to anticipate future demand in the Non-Residential and NBAP segments, and to support the RLs' efforts to acquire new corporate and NBAP customers. With its extensive nationwide fibre network, the Trust Group is well-positioned to support, among others, the Smart Nation initiatives, the developments in Punggol Digital District and Jurong Innovation District, and the fourth mobile telecommunication operator in its mobile network deployment. In addition, the Trust Group is monitoring the development of the 5G network in Singapore and will explore opportunities associated with the new technology.

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ABOUT NETLINK NBN TRUST

NetLink NBN Trust's nationwide network is the foundation of Singapore's Next Generation Nationwide Broadband Network ("**Next Gen NBN**"), over which ultra-high-speed internet access is delivered throughout mainland Singapore and its connected islands.

The Trust Group designs, builds, owns and operates the passive fibre network infrastructure (comprising ducts, manholes, fibre cables and Central Offices) of Singapore's Next Gen NBN. The Trust Group's extensive network provides nationwide coverage to residential homes and non-residential premises in mainland Singapore and its connected islands.

NetLink NBN Trust was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 19 July 2017, and is a constituent of the FTSE ST Large & Mid Cap Index, FTSE ST Singapore Shariah Index and the MSCI Global Small Cap – Singapore Index.

For more information about NetLink NBN Trust, please visit: www.netlinknbn.com

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