



SingTel Group reports strong results

SINGAPORE

On the 14th August, Singapore Telecommunications Limited (SingTel) announced its unaudited results for the first quarter ended 30 June 2007.

The SingTel Group began its new financial year on an excellent footing as all three main components of its business – Singapore, Australia and regional associates – performed strongly.

The Group's operating revenue for the quarter amounted to S\$3.57 billion, an impressive 11 percent increase compared with the corresponding period last year. This was achieved on the back of 10 percent revenue growth from the Singapore operations – the highest recorded in recent years. The Group's revenue was also boosted by a stronger Australian dollar.

Optus continued its track record of sustainable growth and profits against a highly competitive market. Operating revenue grew 3.5 percent while EBITDA remained stable.

Pre-tax contributions from associates rose an impressive 51 percent, excluding Globe's extra quarter contribution in the comparative period last year. This extra quarter was incorporated in the June quarter last year to align Globe's accounting period for the purpose of consolidation. Bharti, Globe and Telkomsel contributed largely to the excellent pre-tax profit earnings.

Net profit grew a strong 10 percent to S\$927 million despite the cessation of amortisation of the compensation income from IDA.

Underlying net profit, excluding IDA compensation, was up a hefty 15 percent or S\$115 million to S\$868 million.

Ms Chua Sock Koong, SingTel's Group CEO, said: "We have made an excellent start to the new financial year with all our key businesses delivering strong earnings growth. I am extremely pleased to note that the growth is broad-based and involves almost every aspect of our business.

"In particular, I am delighted that our Singapore business delivered double-digit increase in revenue, which is unprecedented in recent years. Optus also performed well by maintaining growth and profitability in a highly-competitive environment while our regional mobile associates sustained their stellar growth."

SingTel

Growth momentum in the preceding quarters and a stronger domestic economy have helped propel operating revenue for the Singapore business to S\$1.16 billion, up 10 percent from a year ago. Revenues for both the Singapore telecoms and IT businesses were up.

Operational EBITDA was up 7.3 percent to S\$507 million, and margin on operating revenue at 43.7 percent, is in line with guidance. Data and Internet revenue grew 13 percent to S\$335 million, driven by higher corporate data spending and increased Internet revenues.

Corporate data services, such as international leased Circuits, local leased circuits and managed services, enjoyed robust demand, reflecting the in-

creased level of business activities.

Internet revenue for the quarter grew 14 percent to S\$99 million as broadband subscription continued to increase. As at 30 June 2007, there were 438,000 broadband lines, an increase of 4.0 percent or 17,000 lines from a quarter ago. Compared to a year ago, the increase was 66,000 lines or 18 percent.

Despite intense market competition, SingTel retained its market leadership for broadband in Singapore with a strong 16 percent growth in revenue year-on-year. Market share in the broadband Internet market as of 30 June 2007 was 53.7 percent, up slightly from 53.4 percent a quarter ago.

SingTel Optus

In the quarter ended 30 June 2007, Optus delivered an increase in operating revenue of 3.5 percent to A\$1.9 billion and maintained both its market position and operational EBITDA.

"Despite a highly competitive market, these financial results show Optus maintaining both market momentum and profitability," Mr Paul O'Sullivan, Optus Chief Executive said.

"The results reflect the disciplined execution of Optus strategic priorities, including a creative marketing campaign to drive renewed acquisition of postpaid mobile customers; a decision to cease acquiring new resale customers as Optus refocuses on profitable on-net business; and a strong focus on growing market share in data and IP services in the business and wholesale markets. In this quarter, revenue growth was achieved despite a 20 percent decrease in mobile termination rates and a decline in off-net fixed telephony revenues.

"We remain committed to the strategy of maintaining scale, managing costs and investing for growth. We continue to launch innovative subscription offerings in fixed and mobile to grow our customer base.

"Highlights for the quarter include the success of the Black and White campaign and the introduction of \$19 Caps which signalled Optus Mobile changing gears in the consumer market with the ramp-up of our subscriber acquisition strategy. This strategy is starting to show results, with strong postpaid net adds in the quarter." ■

Shin Satellite reports growth

THAILAND

Shin Satellite reported the second quarter results ended June 30th, 2007. Revenues from the Company's sales and services was Baht 1,794 million, an increase of 22.6 percent compared to the same period of last year, and an increase of 10.9 percent or Baht 1,618 million compared to the first quarter of 2007 due to the growth in all business units of Shin Satellite. Revenues from IPSTAR services was Baht 486 million, an increase of 41.3 percent compared to the first quarter of this year resulted from the growth in the business and sales of the IPSTAR user terminals, especially, from IPSTAR Australia and IPSTAR New Zealand. In this quarter, the Company sold 11,116 IPSTAR user terminals, an increase of 1,985 user terminals or 21.7 percent compared to last quarter.

Results for the second quarter of 2007, revenues from telephone business services in Cambodia (Cambodia Shinawatra Co., Ltd., "CamShin") and Laos (Lao Telecommunications Co., Ltd., "LTC") increased by 16.6 percent over the same period of last year due to the continued growth of the prepaid mobile subscribers. At the end of Q2'2007, CamShin and LTC had the total of 1,051,726 subscribers. The Company recorded a dividend of Baht 138 million from Shenington Investment Pte. In early August, CS Loxinfo Plc announced to pay a dividend of 0.20 Baht per share whereby Shin Satellite, which owns 39.9 percent, will receive Baht 50 million.

Shin Satellite's consolidated financial statement reported a gross profit margin of 18.8 percent, an increase of 14.9 percent compared to last quarter with slight changes on selling and administrative expenses. The Company's total revenue was Baht 3,412 million, an increase of 6.0 percent compared to the same period last year and net profit of Baht 52 million, a 156.5 percent increase from the same period of last year. ■