



FY2005 Results Presentation

18 January 2006



Forward looking statements – Important note

This presentation and the following discussion may contain forward looking statements by MobileOne Ltd (“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 12 months

- Operating revenue increased 3.6% to S\$774m
- EBITDA increased 13.5% to S\$332m; EBITDA margin up 4.2% points to 47.2% of service revenue
- Net profit after tax increased 4.6% to S\$161m

Operating Highlights for 12 months

- Net additions of 83,700 customers
- Monthly churn at 1.5%, compared to 1.6% for FY04
- Non-voice contribution to ARPU: 19.6%
- International call services revenue grew 9.3% to S\$122m

Dividend & Outlook

- Board recommends a final dividend of 8.1 cents, representing a total 80% in full-year payout ratio
- In addition, a special dividend of 12.2 cents is proposed
- Single-digit net profit growth expected for FY2006

Agenda



Financial performance

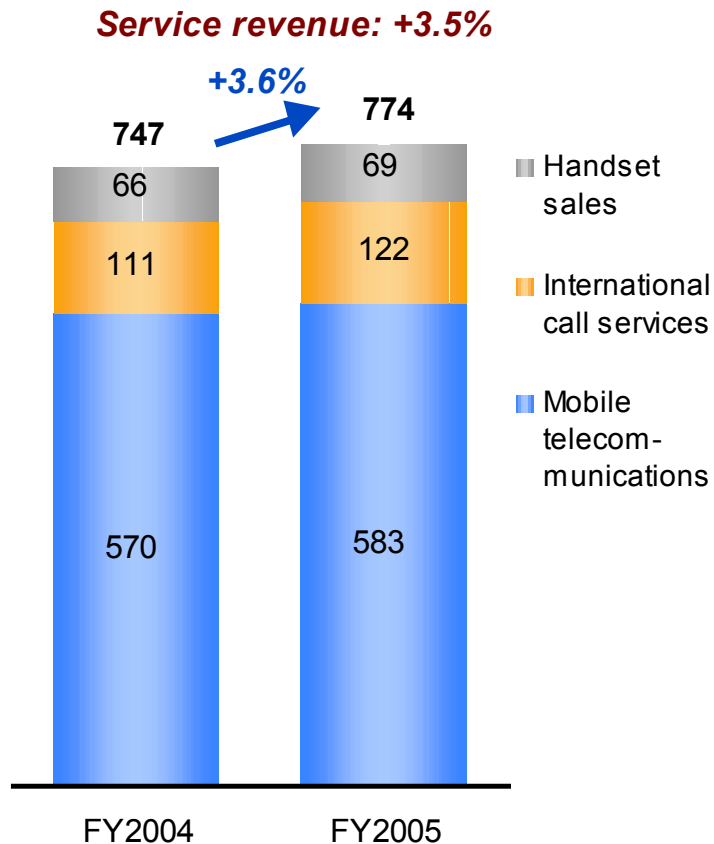
Operating performance

Outlook & guidance

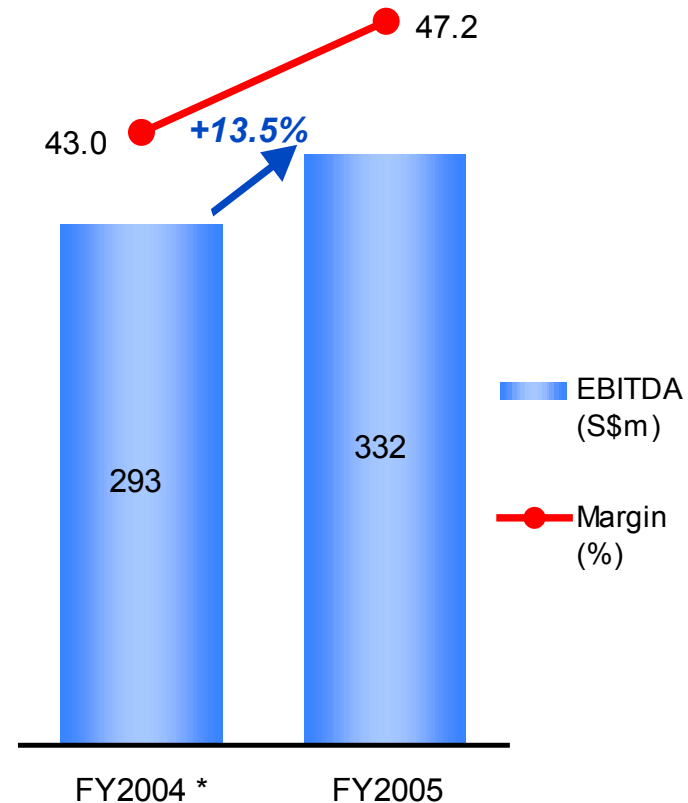


Revenue & margin

Operating revenue breakdown (S\$m)



EBITDA & EBITDA margin on service revenue

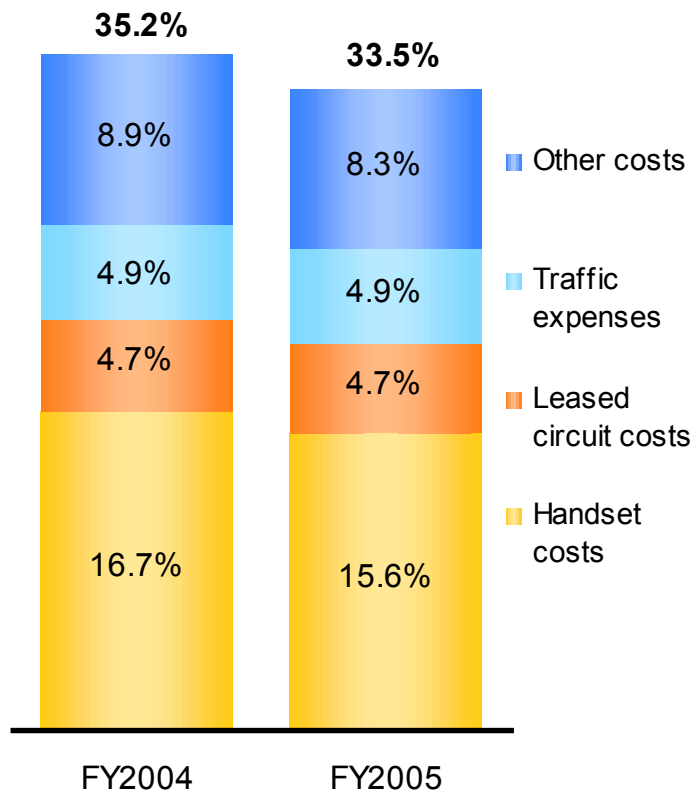


* Note: With the adoption of FRS 102 share-based payments, comparative figures have been re-stated

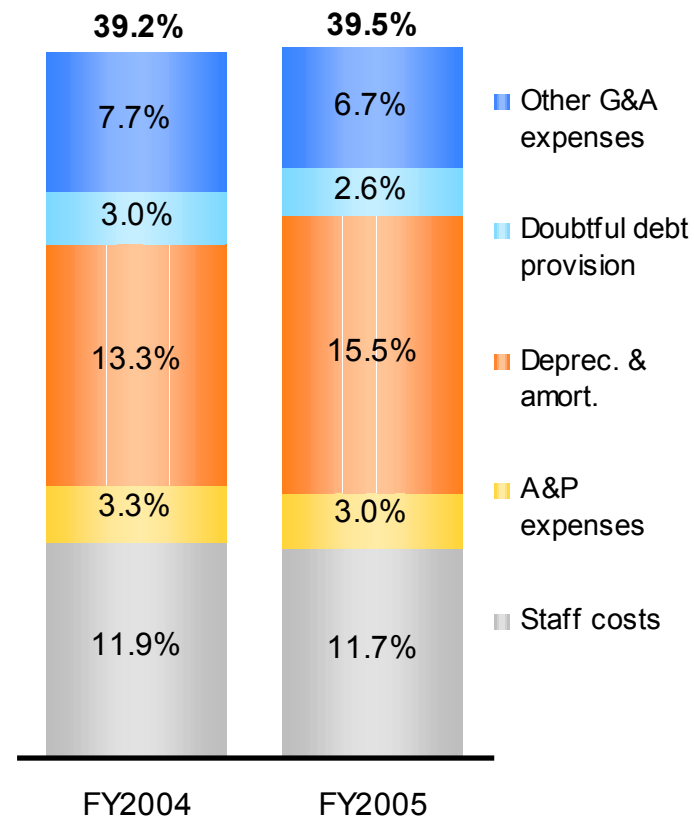


Cost breakdown

Cost of sales/Operating revenue



Other operating expenses/
Operating revenue

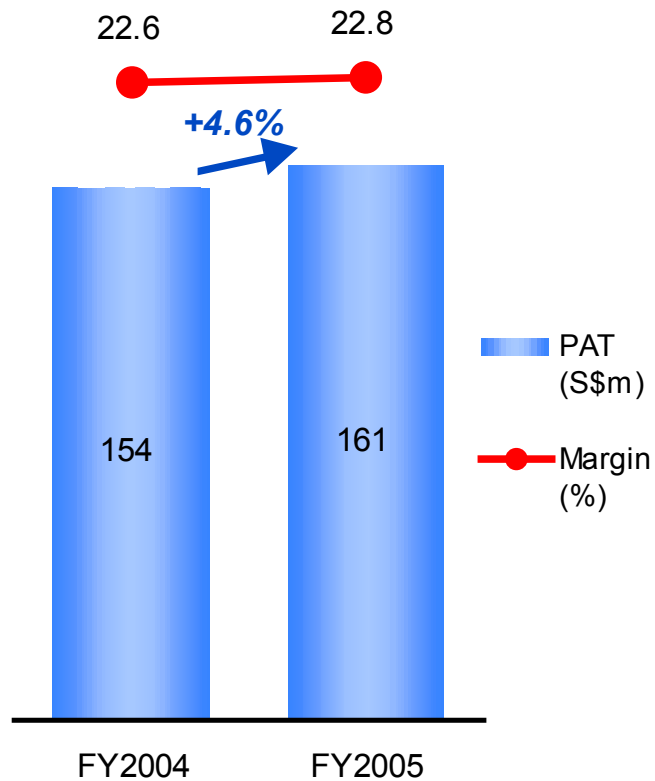


Total cost-to-revenue ratio for FY2005: 73.0% (FY2004: 74.4%)

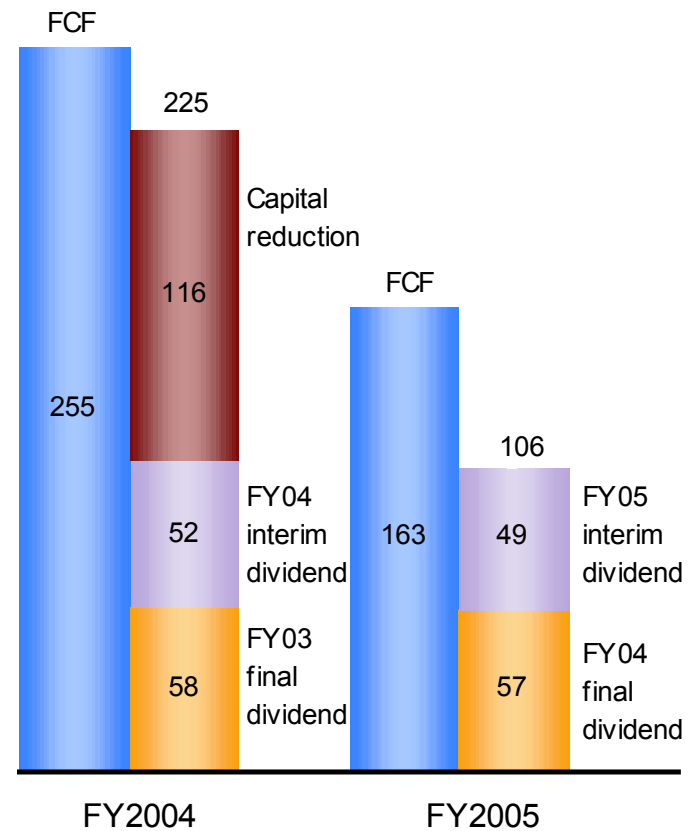


Bottom-line & cash flow

PAT & PAT margin on service revenue



Free cashflow (FCF) & distribution to shareholders (S\$m)



Excluding tax adjustments, underlying growth: +10.4%



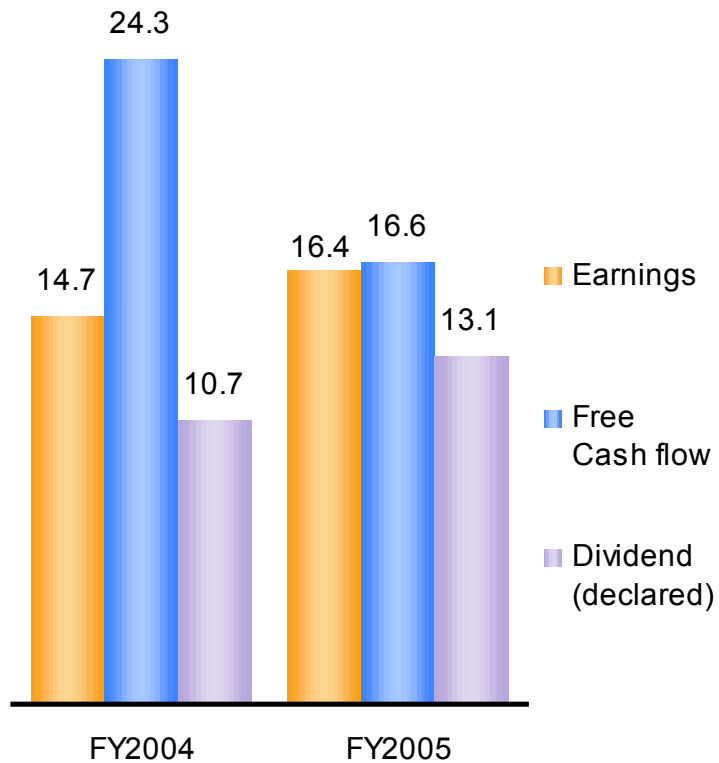
Capex & financial leverage

S\$m	FY2005	FY2004	Change %
Capex	62.3	137.7	-54.8%
Cash & cash equivalents	175.4	112.6	55.8%
Net debt	74.6	137.4	-45.7%
Net assets	463.9	402.6	15.2%
Net debt/equity (%)	16%	34%	n.a.
EBITDA/Interest (x)	32.4	28.4	n.a.
Net assets per share (cents)	47.1	41.1	14.6%
EPS (cents)	16.4	14.7	11.6%

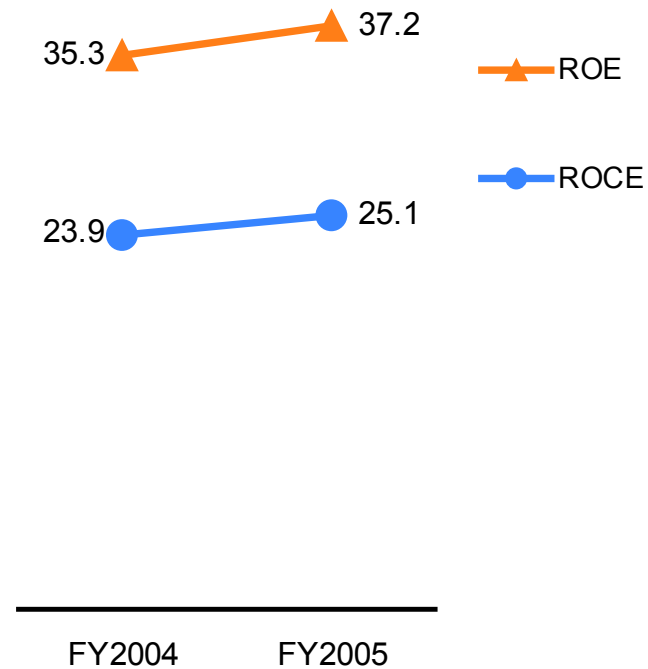


Dividend cover & return ratios

Earnings, free cash flow (FCF) & dividend per share (cents)



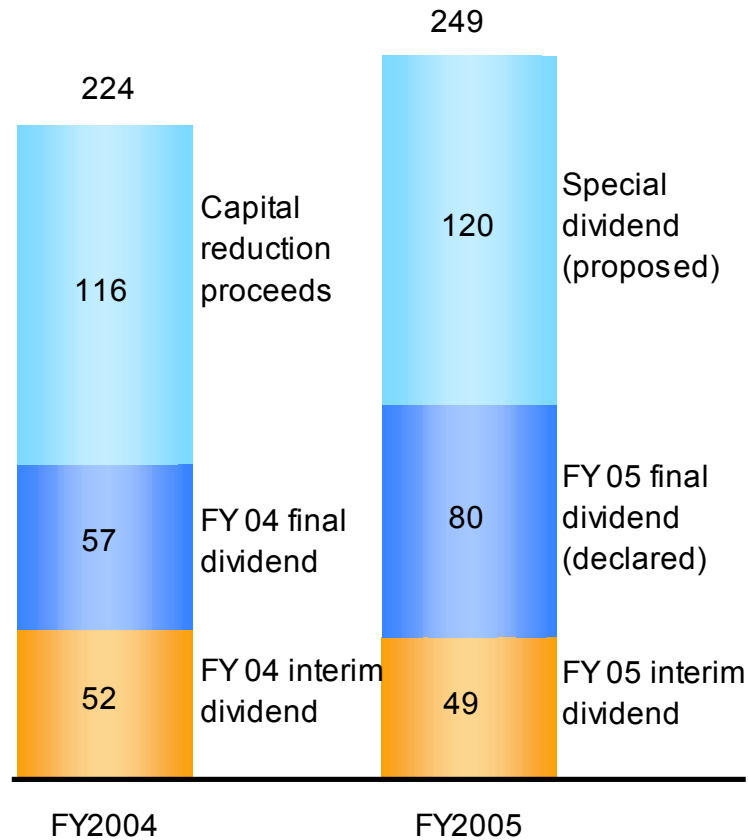
ROE & ROCE (%)



FY2005 FCF yield of 7.6% & regular dividend yield of 6.0%
(based on share price of S\$2.17 as at 17 Jan 06)

Capital management

Distribution to shareholders:
dividend + capital (S\$m)



<u>Year</u>	<u>Distribution per share (declared)</u>
FY2004	21.7 cts
FY2005	25.3 cts

- If the proposed special dividend was paid in FY05, net gearing would have increased to 57%



Financial performance

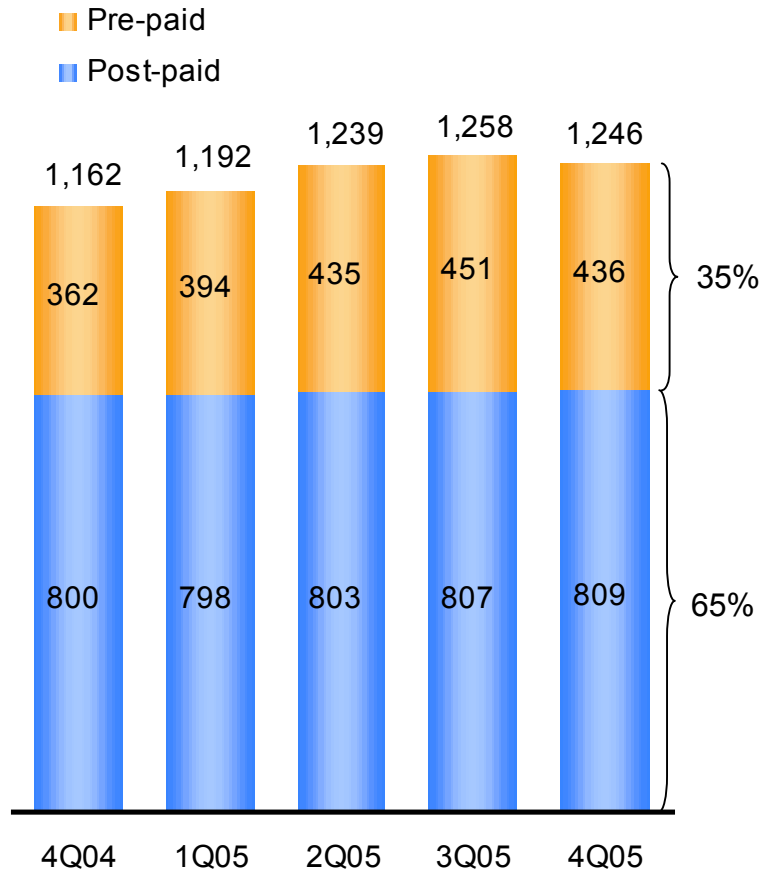
Operating performance

Outlook & guidance

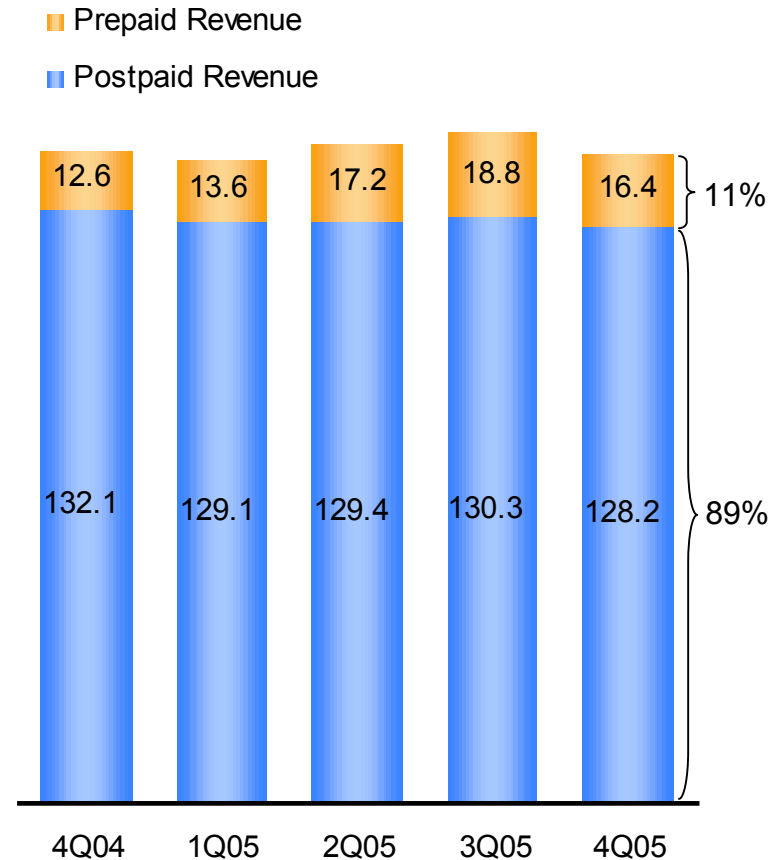


Customer base & revenue mix

Customer base ('000)



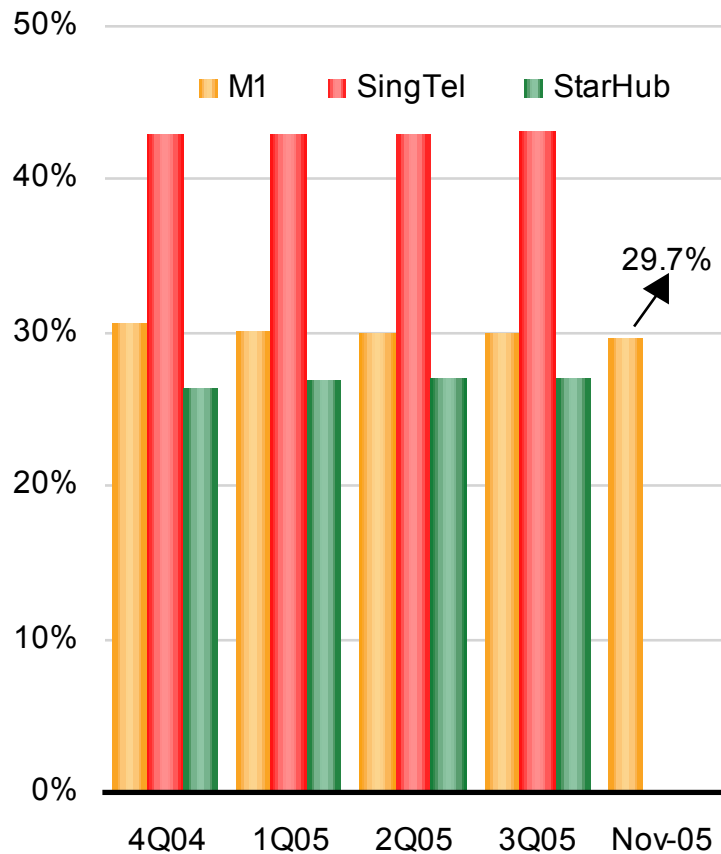
Mobile telecommunications revenue mix (S\$m)



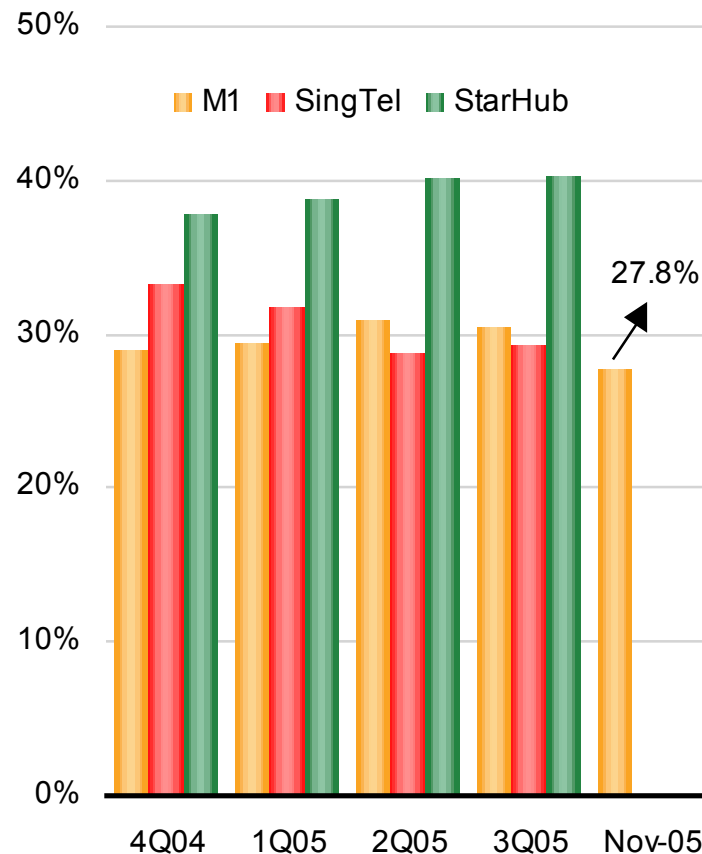


Market share

Postpaid market share



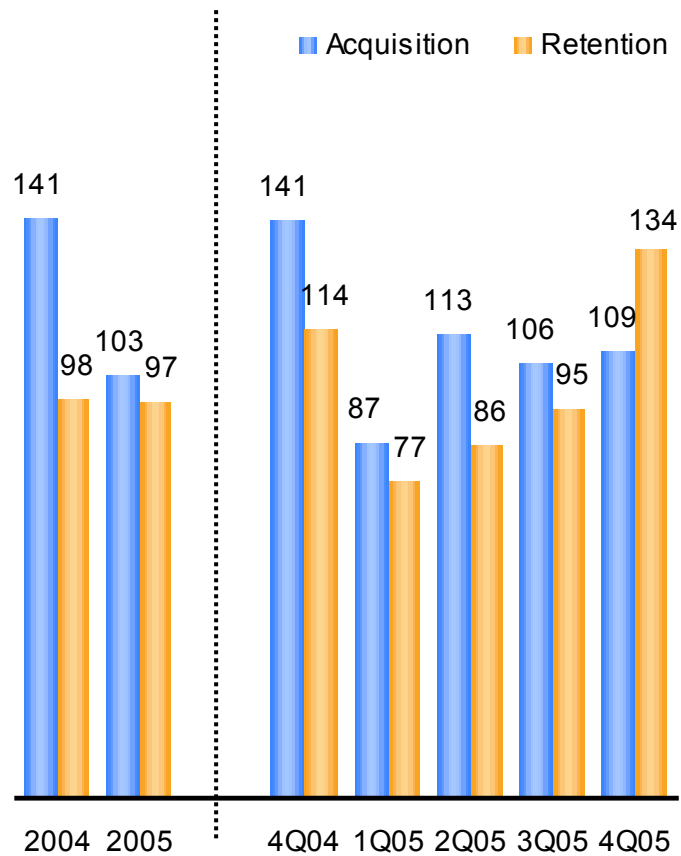
Prepaid market share



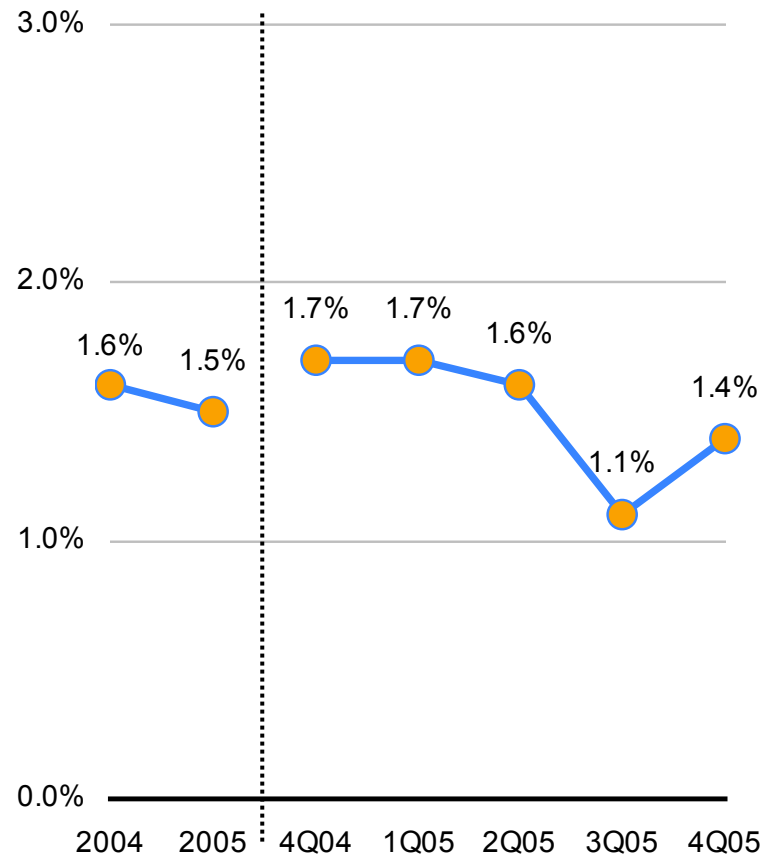


Acquisition, retention costs & churn trend

Average acquisition & retention costs per customer (S\$)



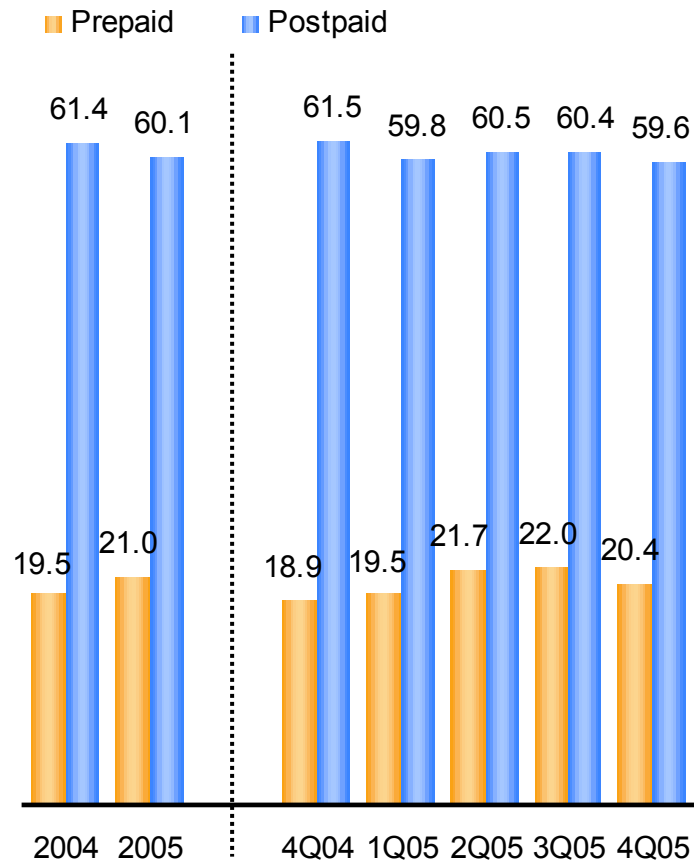
Monthly churn rate



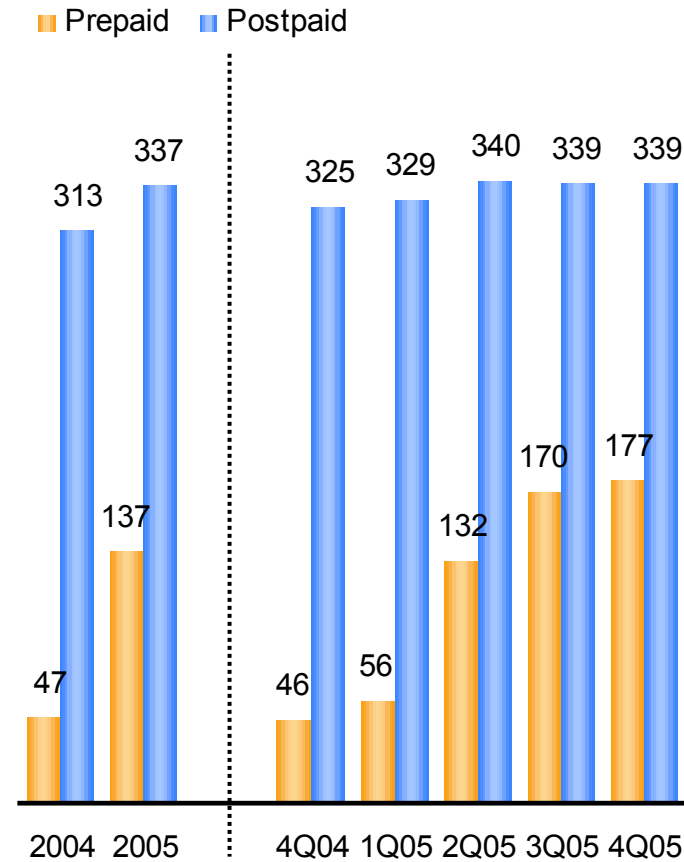


ARPU & MOU trend

Monthly prepaid & postpaid ARPU (S\$)



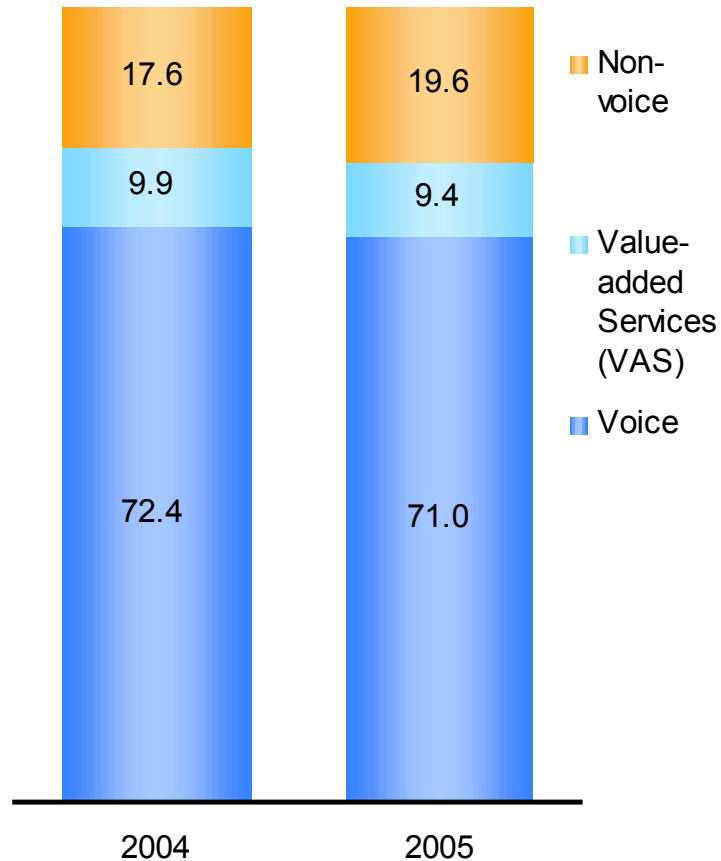
Monthly MOU per sub (mins)



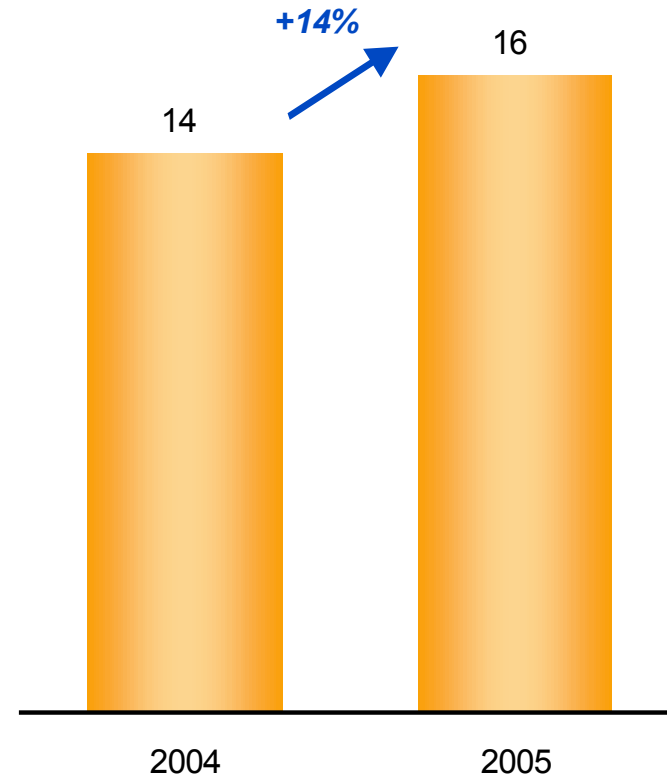


ARPU breakdown & data revenue

Breakdown of blended ARPU (%)



Mobile data & MMS revenue (S\$m) (excluding bundled usage)

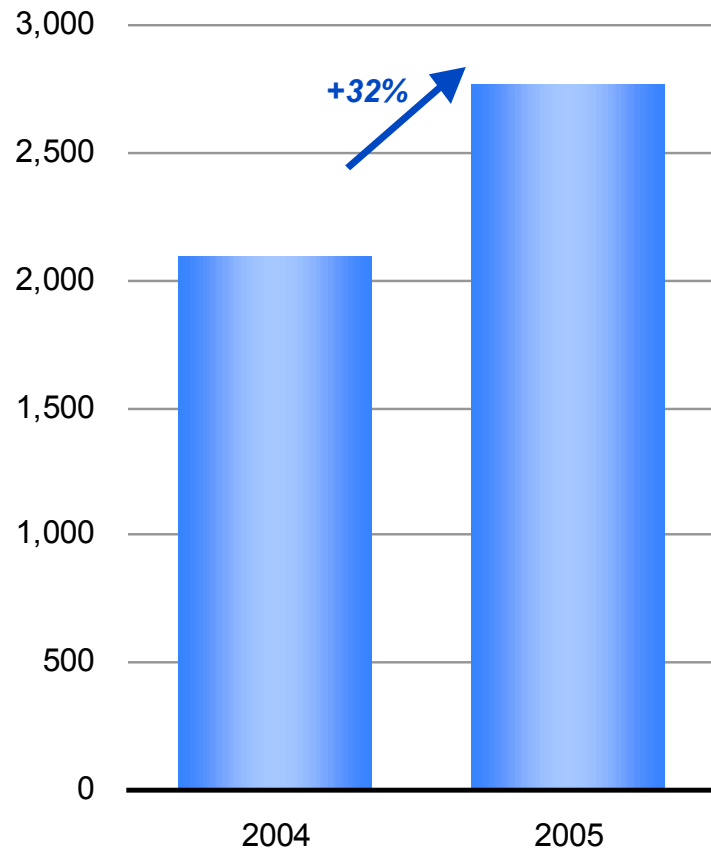


Note: Figures may not add up due to rounding

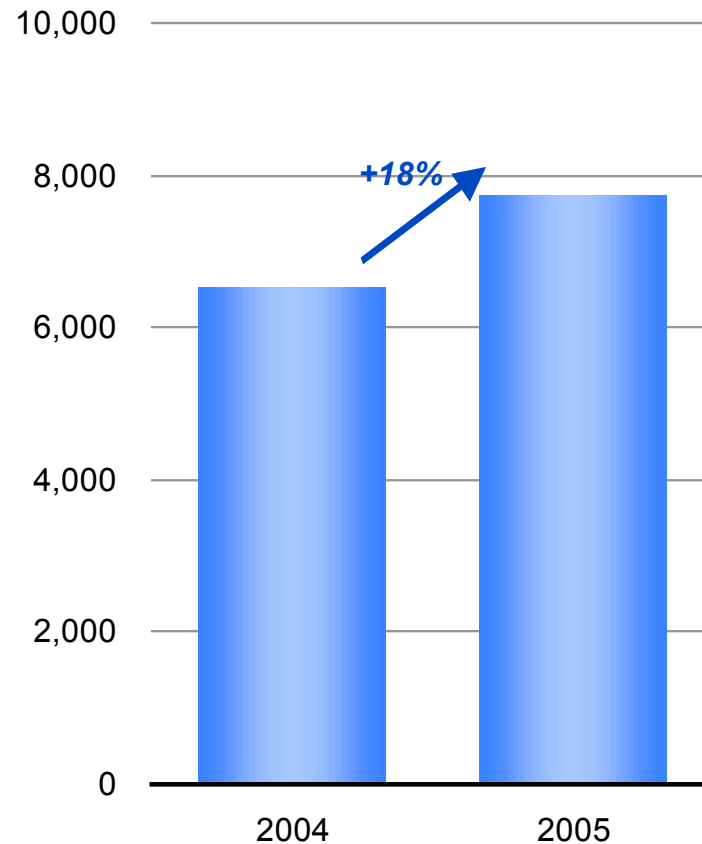


Data usage

Mobile data usage* (Gbytes)



MMS usage ('000 messages sent)



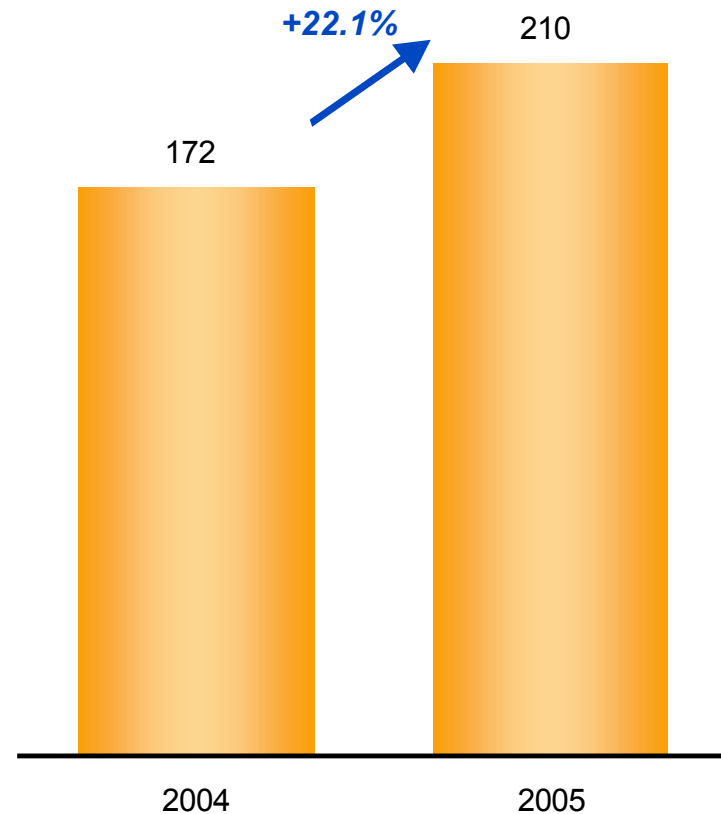
*: Figures exclude MMS traffic



International call services

- For 12 months ended FY2005:-
 - ➔ Revenue for international call services increased 9.3% to S\$121.8m
 - ➔ International retail traffic was up 22.1% to 210 million minutes

M1 international retail minutes (million)





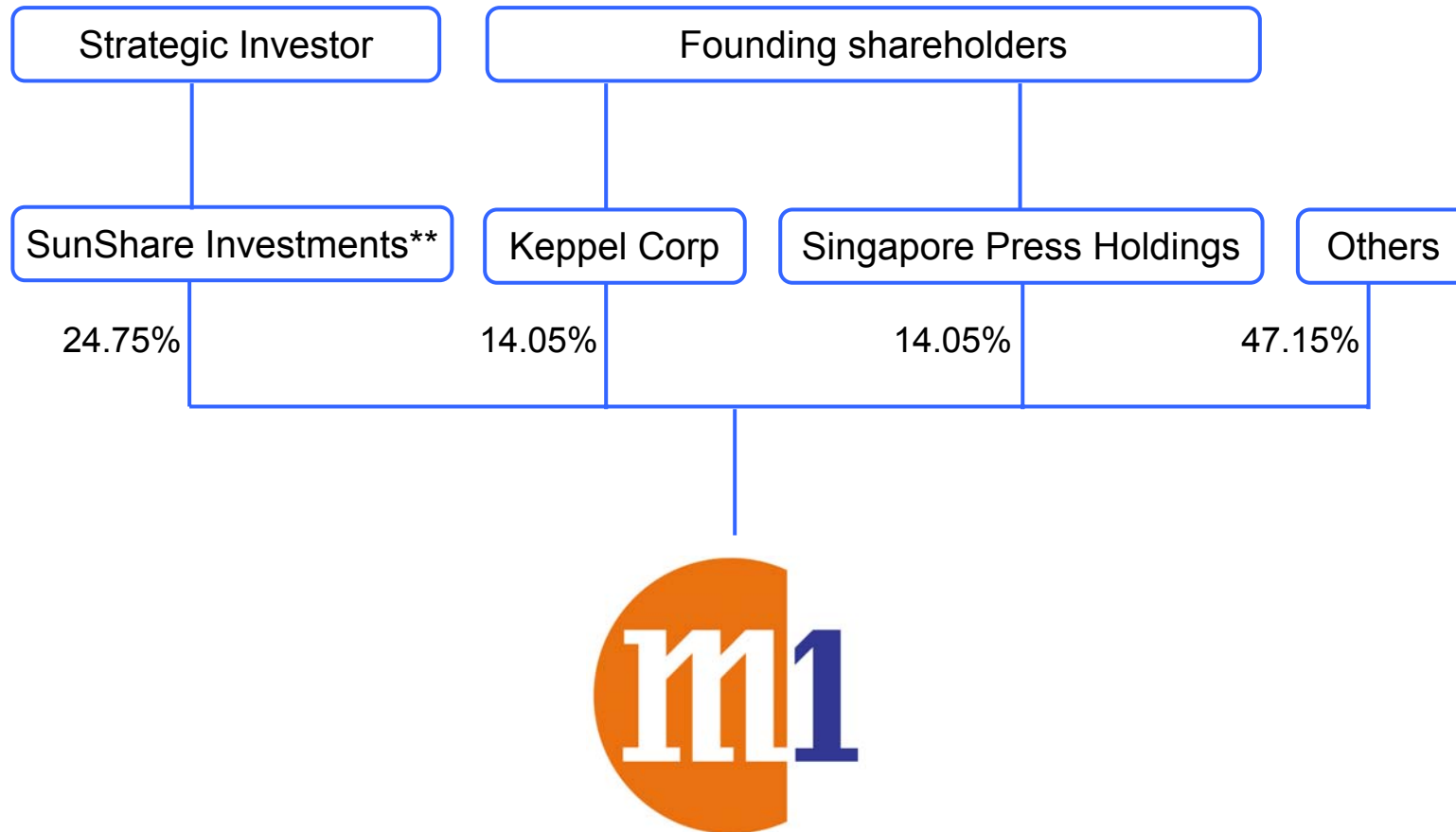
Financial performance

Operating performance

Outlook & guidance



Update on shareholding structure *



* - As at 13 Jan 06

** - Joint venture between Telekom Malaysia (80%) & Khazanah Nasional (20%)



Developments in 2006

- Continue to drive growth in 3G services with innovative services
- Pursue initiatives to strengthen relationship and realise potential areas of synergy with Telekom Malaysia and Celcom
- Differentiate through alliances (Vodafone partnership & Asia Mobility Initiative)
- Wireless Broadband Access (WBA)
 - ➔ Commenced trial with wide-area WiFi access integrated with pre-WiMax backhaul at 2.5 GHz
- Prepaid market
 - ➔ New registration requirement for prepaid customers commenced in Nov 05. Number of prepaid customers may be affected in 2Q06 when termination of unregistered prepaid cards is required
 - ➔ Partnership with PLDT Global and Smart Communications to target the Filipino community. Service launch is likely in 1H06



Sources of growth

- Consumer non-voice services
 - ➔ Delivering content and new services to the screen in every pocket / handbag
- Enterprise market
 - ➔ New opportunities as 3G brings increase in data usage and scope for new enterprise applications
- Roaming segment
 - ➔ Leveraging alliances to capture more of the traveller market
- Some growth in customers and voice minutes
 - ➔ Multi-SIMs
 - ➔ fixed-to-mobile substitution
 - ➔ temporary / transient users



FY2005: Performance Summary

Continued growth in non-voice & international call services

- ✓ +9.3% in international call revenue
- ✓ +14% in GPRS and MMS revenue (excluding bundled usage)

Earnings growth & stable margins

- ✓ Net profit after tax grew 4.6% to S\$161m
- ✓ EBITDA margin of 47.2% of service revenue (compared to 43.0% in FY04)
- ✓ Net profit margin of 22.8% (compared to 22.6% in FY04)

Commitment to shareholders

- ✓ Dividend payout ratio raised to 80%
- ✓ Special dividend of 12.2 cents
- ✓ Total proposed cash distribution of 25.3 cents for FY2005



Guidance for FY2006

Financial guidance

- Single-digit growth for net profit after tax for FY2006
- Capex spend of S\$70-120m

Commitment to shareholders

- Dividend policy of at least 80% total payout ratio
- Regularly review capital structure

1 life. live it.

