

**NETLINK NBN TRUST DELIVERS RESILIENT EARNINGS UNDERPINNED BY HIGHER RESIDENTIAL AND NON-RESIDENTIAL END-USER CONNECTIONS**

- **EBITDA and Profit After Tax outperformed forecast by 2.1% and 4.9%, respectively**
- **Higher residential and non-residential end-user connections than forecast**
- **On track to deliver financial performance and distribution forecast in the prospectus dated 10 July 2017 (the “Prospectus”)**

**Summary of the Trust Group’s Results (19 June 2017 to 30 September 2017<sup>1</sup>)**

<b>S\$’ million</b>	<b>Actual</b>	<b>Forecast<sup>2</sup></b>	<b>Change (%)</b>
<b>Revenue</b>	64.8	65.5	(1.2)
<b>EBITDA</b>	46.8	45.8	2.1
<b>EBITDA Margin (%)</b>	72.2	69.9	-
<b>Profit after Tax</b>	13.0	12.4	4.9

**SINGAPORE, 9 November 2017** – 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 joint issue managers of the initial public offering and listing of NetLink NBN Trust were DBS Bank Ltd., Morgan Stanley Asia (Singapore) Pte. Ltd. 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. Ltd., 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, Overseas 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.

<sup>1</sup> The first financial period is from 19 June 2017 to 30 September 2017. No comparative Consolidated Statement of Profit or Loss and other Comprehensive Income has been prepared as NetLink NBN Trust was constituted on 19 June 2017. Although NetLink NBN Trust was constituted on 19 June 2017, there were no operating activities until the acquisition of NetLink Trust, which was completed on 19 July 2017, the date on which the Trust was listed (“**Listing Date**”).

<sup>2</sup> Forecast results for the period includes (i) the actual results for the period from 19 July to 31 July 2017 and (ii) August 2017 and September 2017 figures that were part of the Forecast Period 2018 projections disclosed in the Prospectus

the Financial Period from 19 June 2017 to 30 September 2017 (the “**Period**”) outperformed forecast by 2.1% and 4.9%, respectively.

Mr. Tong Yew Heng (唐耀兴), Chief Executive Officer of the Trustee-Manager, said, “We are pleased to report a good set of numbers for our maiden reporting period, with EBITDA and Profit after Tax outperforming forecast. We are on track to deliver our operating performance and distributions to Unitholders in line with the projections in the Prospectus, backed by resilient earnings generated by our nationwide network that delivers ultra-high-speed internet throughout mainland Singapore and its connected islands.”

## **RESILIENT BUSINESS**

During the Period, NetLink NBN Trust achieved revenue of S\$64.8 million, 1.2% lower than the forecasted S\$65.5 million. This was mainly due to lower installation revenue as there was a decrease in demand for installation of termination points in residential homes as the rate of migration by non-fibre subscribers to fibre was slower than expected.

NetLink NBN Trust’s lower installation revenue against forecast was offset by the growth in monthly recurring Residential and Non-Residential connection revenue that puts the Trust Group on track to achieve the forecast end-user connections for both segments for the period ending 31 March 2018. As of 30 September 2017, there were 1,142,648 Residential connections and 42,028 Non-Residential connections, compared to 1,094,756 Residential connections and 38,457 Non-Residential connections as of 31 March 2017.

With lower operating costs and lower staff costs, the Trust Group’s EBITDA and Profit after Tax were 2.1% and 4.9% higher than the forecast, respectively.

## **STABLE CASH FLOW GENERATION TO SUPPORT UNITHOLDER RETURNS**

The Trust Group reported steady net cash generated from operating activities of S\$43.0 million.

In line with the Prospectus, the first distribution period of NetLink NBN Trust will be for the period from 19 July 2017 to 31 March 2018, and will be paid on or before 29 June 2018. No distribution has been declared or recommended for the current financial period ended 30 September 2017.

## **OUTLOOK**

The Trust Group remains on track to achieve its forecast number of end-user connections in both the Residential and Non-Residential fibre segments for the forecast period ending 31 March 2018 as stated in the Prospectus. In addition, the Trust Group expects to deliver financial performance and distribution forecast as stated in the Prospectus.

The Group commenced utilising the Hougang Central Office to serve new housing estates in Sengkang and Punggol. Planning for the expansion of the Group's network coverage to serve upcoming townships such as the new Tengah estate has commenced as the first batch of HDB homes in Tengah is expected to be launched from 2018 and further developed over the next two decades, with an estimated 42,000<sup>3</sup> new residential homes.

The Group has also been working proactively with the Requesting Licensees ("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 Group is well-positioned to support Smart Nation initiatives and the fourth mobile telecommunication operator in its mobile network backhaul deployment.

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<sup>3</sup> Source: Housing & Development Board

## **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.

As the sole appointed "Network Company" for Singapore's Next Gen NBN, the Trust Group's network consists of 10 Central Offices and approximately 76,000 km of fibre cables, 16,200 km of ducts, and 62,000 manholes, as of 31 March 2017.

NetLink NBN Trust 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.

For more information about NetLink NBN Trust, please visit: [www.netlinknbn.com](http://www.netlinknbn.com)

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