



PRESS RELEASE

For immediate publication

Digi Q3 net profit up 10.3% to RM438 million

- Stronger EBITDA of RM775 million
- Dividend of 5.6 sen per share equivalent to almost 100% payout or RM435 million

SUBANG JAYA, 19 October 2016 – Digi.Com Berhad (Digi) today reported a quarter of robust earnings uplift fuelled by a 10.4% year-on-year growth in postpaid revenue and improved prepaid sustainability.

Digi's CEO Albern Murty said, "This was a very busy quarter for us as competition remained intense. We continued to remain resilient in the quarter, benefiting from a well-managed cost structure and delivering steady performance with earnings growth anchored by stronger internet and digital services momentum in particular from our expanded postpaid share.

"Customers remain our first priority, and our focus is to continue delivering value to them by innovating easier, richer retail and digital experiences. We saw this reflected in our latest postpaid and prepaid products, which has seen positive customer uptake, giving them more internet and digital services to do the things they love online with a consistent, stable experience on our quality 4G plus network. We are seeing more internet-loving Malaysians choose Digi as their digital partner; and we will build on this increasing confidence to unlock internet growth opportunities, and deliver on our promise to provide service excellence and easy enjoyment of new digital content and services."

Resilient Financials in Q3

RM million	3Q16	2Q16	Q-o-Q	3Q15	Y-o-Y
Service revenue	1,554	1,557	(0.2%)	1,584	(1.9%)
EBITDA	775	735	5.4%	719	7.8%
EBITDA margin	48%	44%	3.5pp	43%	4.9pp
PAT	438	421	4.0%	397	10.3%

Key Highlights (Y-o-Y)

- Resilient service revenue of RM1,554 million; remained steady q-o-q while y-o-y decline narrowed to 1.9%
- Solid 10.4% postpaid revenue growth to RM489 million, fueled by 12.3% growth in subscriber base
- Prepaid revenue moderated by 6.7% to RM1,065 million; remained consistent q-o-q to deliver stronger earnings from sharper focus on subscriber quality and sustainable growth
- Internet revenue grew 12.6% from last year as smartphone adoption rose to 63.7% and active internet subscribers grew to 65.0% of total subscriber base
- Earnings before interest, tax, depreciation and amortisation (EBITDA) strengthened 7.8% to RM775 million at 48% margin
- Profit After Tax (PAT) registered solid growth of 10.3% to RM438 million
- Healthy third interim dividend of 5.6 sen per share or RM435 million, equivalent to almost 100% dividend payout in keeping with the company's commitment to shareholders' returns



Sharp focus on customers and innovation to become our customers' favourite digital partner in Q3

- Invested additional RM202 million capex (RM 540 million year-to-date capex) primarily to support network expansion with 4G LTE and LTE-A coverage now respectively reaching 78% and 36% of the population nationwide, supported by 7,200km of fiber network. This accessibility more than doubled 4G LTE subscriber growth in our network to 3.7 million from 1.6 million a year ago
- Launched two new prepaid internet packs giving customers free 4G LTE internet quotas that fuels stronger prepaid internet revenues and better subscriber quality
 - Digi Live Prepaid, the ultimate streaming pack now offers customers free 8GB video and music streaming quota monthly
 - Digi Best Prepaid, the ideal internet starter pack now gives IDD customers free 200MB internet quota daily in addition to free basic internet and social messaging
- New Digi Postpaid internet sharing feature, affordable plans and 4G bundles grows postpaid subscriber base
- Underscored our commitment and relentless focus on customer engagement by connecting with customers nationwide to introduce digital services such as the MyDigi app, which now serves 1 million customers, and raise awareness on cybersafety

Digi closed the quarter with 12.2 million subscribers of which 8.0 million are active internet subscribers.

For more information, the quarterly report and presentation will be made available [here](#).

About Digi

We are a mobile connectivity and internet services provider enabling 12.2 million Malaysians to get the most benefit out of an increasingly connected world. With a strong legacy of product and service innovation delivered on Malaysia's widest 4G LTE network, Digi has an ambition to become customers' favourite digital partner, providing relevant, personalised and engaging digital products and services that will further enable all Malaysians' digital lifestyles. This is because we believe digital communication empowers everyone to improve their lives, build societies and secure a better future for all. Listed on Bursa Malaysia, Digi is part of global telecommunications provider Telenor Group and is a leader in driving progressive and responsible business practices. For more information about Digi, visit www.digi.com.my

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