



Investor update
Q311 earnings conference call

Agenda

Quick summary

Henrik Clausen, CEO

Financials

Terje Borge, CFO

Updates & Outlook

Henrik Clausen, CEO

Q&A



Prepaid Broadband Starter Pack

Internet Access + Modem +
RM30 reload coupon*
 only RM138

Now equipped with an Easy Reload feature via the latest Connection Manager. More info at digi.com.my/internet/broadband



DiGi Internet™
 Internet For All™

* While stocks last.
 Terms and conditions apply.

Enquiries: 016 221 1800 or digi.com.my/internet/broadband



Always the
 smarter choice

Q3 – solid top-line growth with improving margin & earnings

- ✓ strong sequential quarterly voice & data revenue growth
- ✓ improved EBITDA margin
- ✓ robust operating cash-flow; higher net earnings
- ✓ 37 sen net /share 3rd interim dividend



DiGi Music Play
It's gonna get loud

HRD E3440997
RM 649 NTC
Ola Ola
Hanya dengan
panggilan minimum ke RM 10

SMARTPHONE
Smartphones

Pelan Internet mudah alih paling jimat dengan muat turun muzik **PERCUMA**.

Hanya RM43/bulan*

Layani Internet sepanjang masa dengan bayaran lebih rendah. Tanpa komitmen panggilan, melalui pilihan telefon pintar mudah alih terbaik. Hanya dengan **DG Smart Plan™** terbaru.

Pelan lebih bijak untuk telefon pintar.

HRD E3440997
RM 399 Samsung
GALAXY S10
Setiapnya untuk
memainkan bersama

HRD E3440997
RM 649 NTC
Wildfire S
Terbaik untuk
rangkapan sosial

HRD E3440997
RM 699 BlackBerry®
Curve™ 9300
Terbaik untuk
kerja dan perniagaan

BARU

Daftarlah untuk pelan suara dan Internet semua dalam satu yang paling jimat.

BARU Internet PINTAR RM43* Pelan Internet Bulanan (IGB)	Panggilan PINTAR Tiada penggunaan panggilan minimum	Penjimatan PINTAR Rebat 100% Pelan Internet*	30 hari PERCUMA DiGi Music Play*
--	--	--	-------------------------------------

Tambah RM10/bulan untuk menikmati BlackBerry® Internet Service.

DiGi Internet™
Internet Untuk Semua™

* Selepas rebat tanggangan pengalihan automatik RM5 setiap bulan, 100% rebat untuk pelan Internet adalah berdasarkan penggunaan minimum RM200. Tertakut pada terma dan syarat.

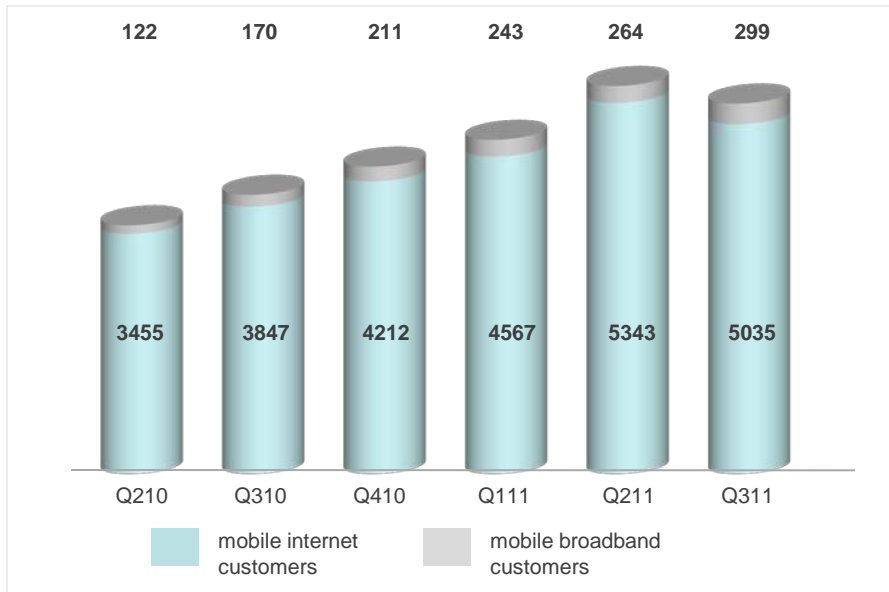
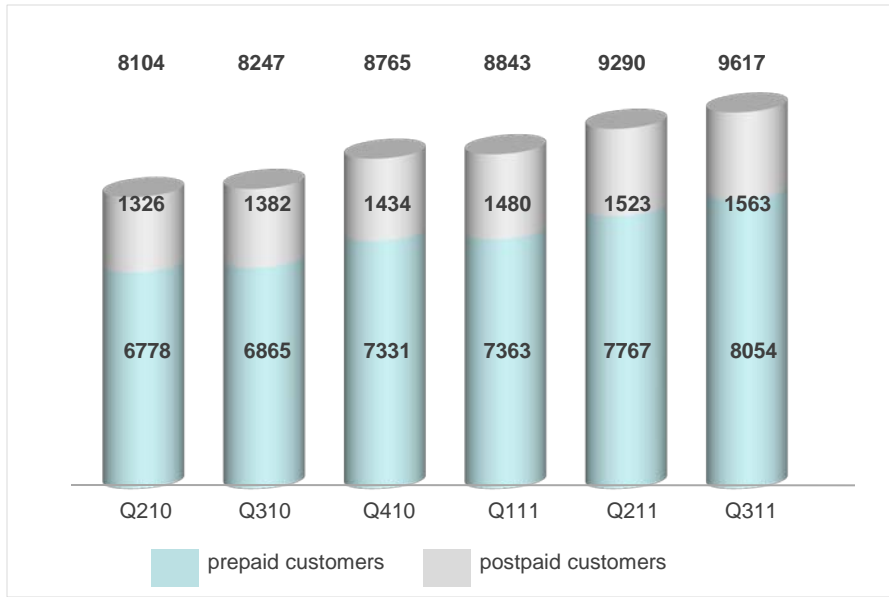
Tukarlah ke DiGi dan kekalkan nombor anda. Sungguh mudah!
Pertanyaan: 016 221 1800 atau dgi.com.my/smartplan

DiGi
Pastinya pilihan yang lebih bijak

Q3 financial highlights

- ✓ +3.5% q-o-q revenue growth
+12.5% y-o-y
- ✓ 46.6% EBITDA margin
46.1% YTD
- ✓ +23.7% q-o-q PAT improvement
+1.1% y-o-y
- ✓ RM563 mil OpCF
37.0% OpCF margin



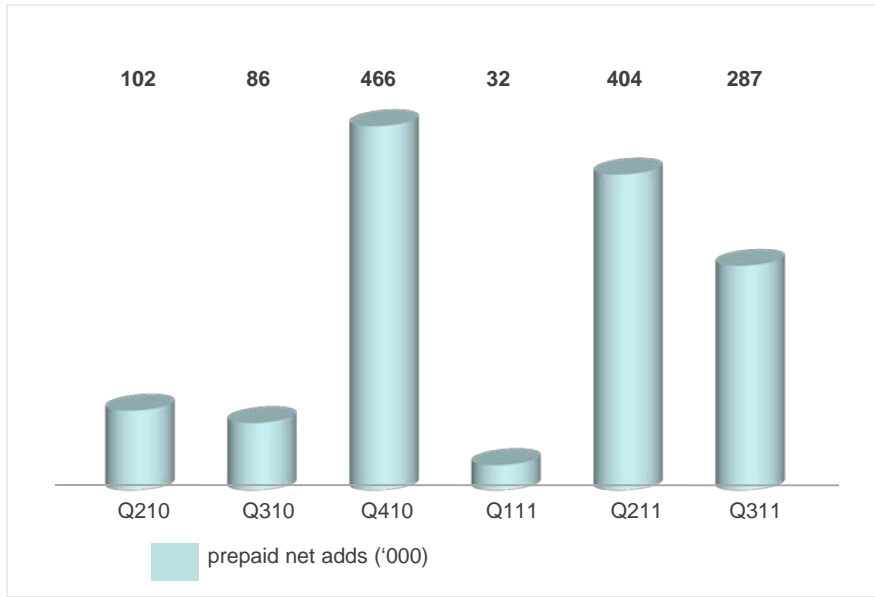


*mobile internet & mobile broadband customers included in prepaid & postpaid customers respectively

Total base approaching 10 million customers

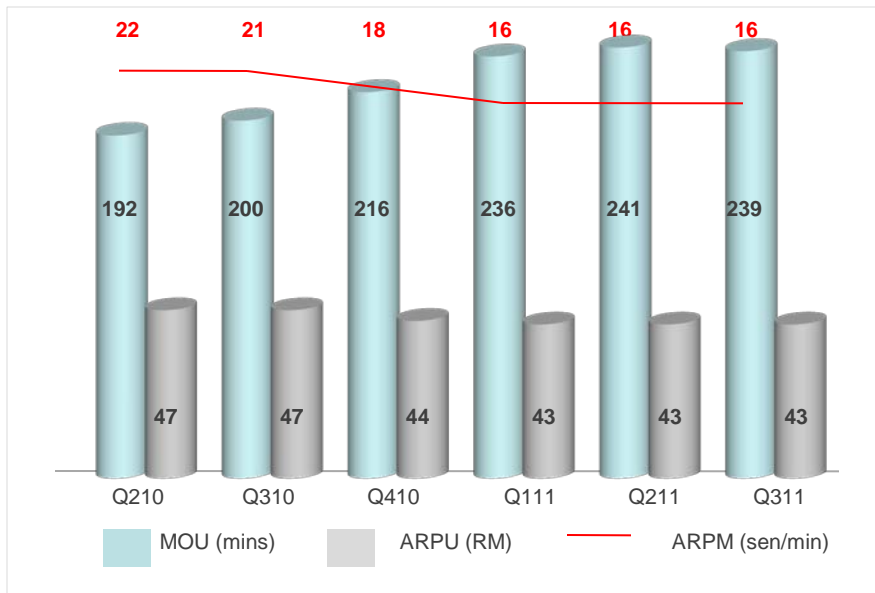
- added 327k new customers; 35k were new broadband customers
- higher rotational churn this quarter
- smaller number of small screen users this quarter; stricter definition to exclude non-data revenue generating customers

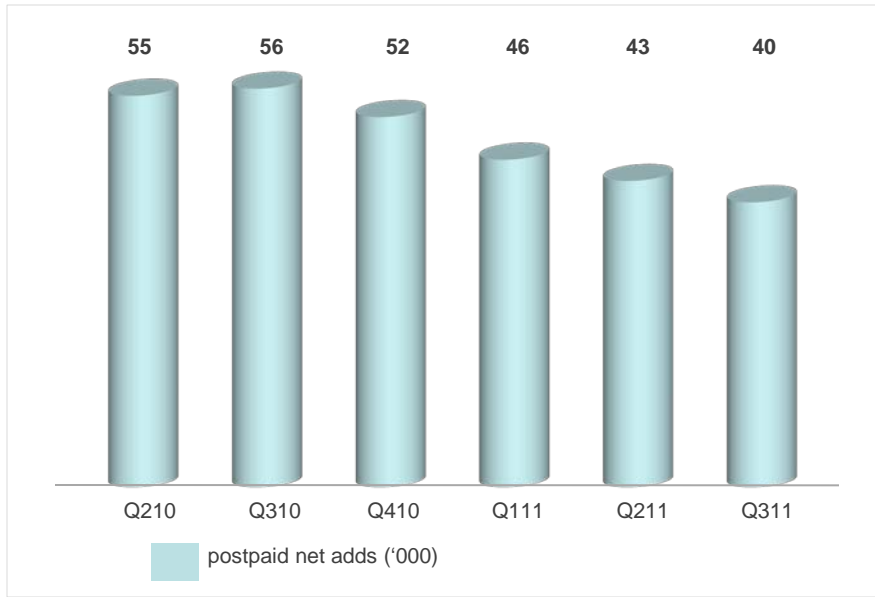




Sustained prepaid momentum

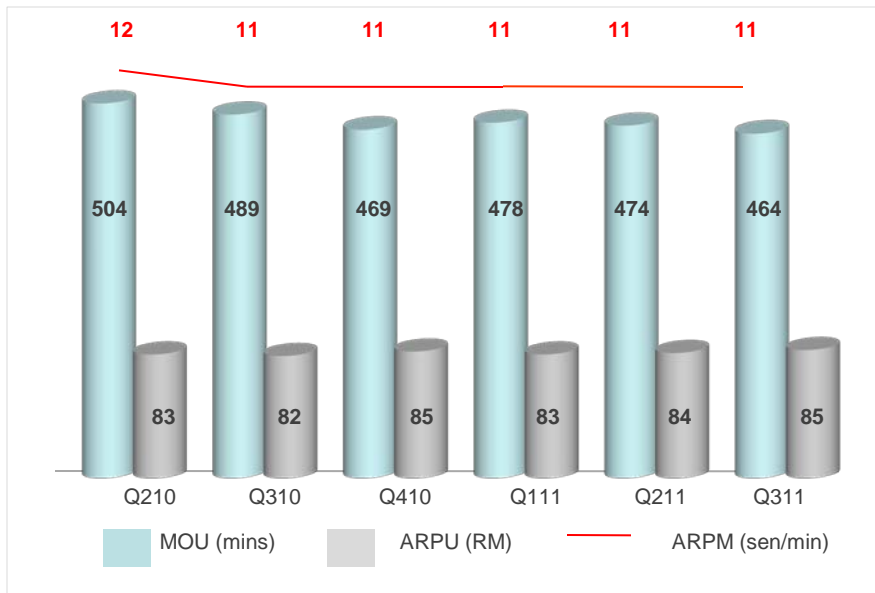
- added 287k new prepaid customers of which 31k were new prepaid mobile broadband users
- prepaid ARPU holding up on stable ARPM & slightly higher data usage

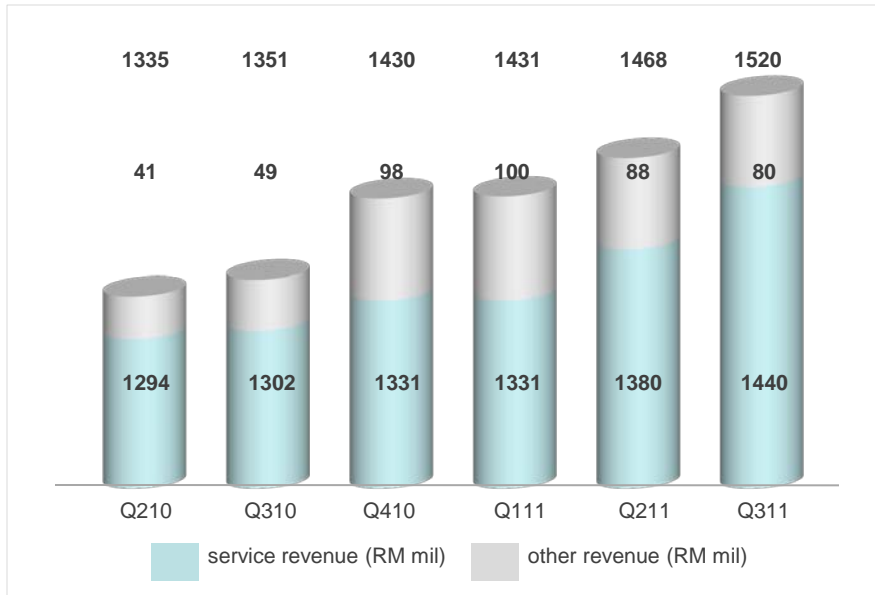




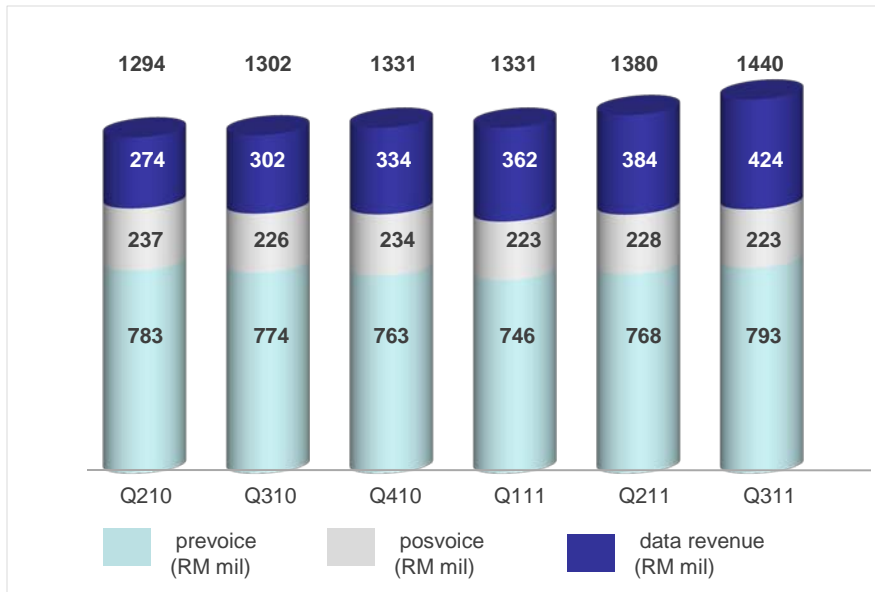
Steady postpaid momentum

- added 40k new postpaid customers of which 3k were broadband customers
- attractive smart-phone and tablet bundles driving higher data usage; compensating for slightly lower voice revenue this quarter





* handset sales included in other revenue



All about service revenue growth in Q3

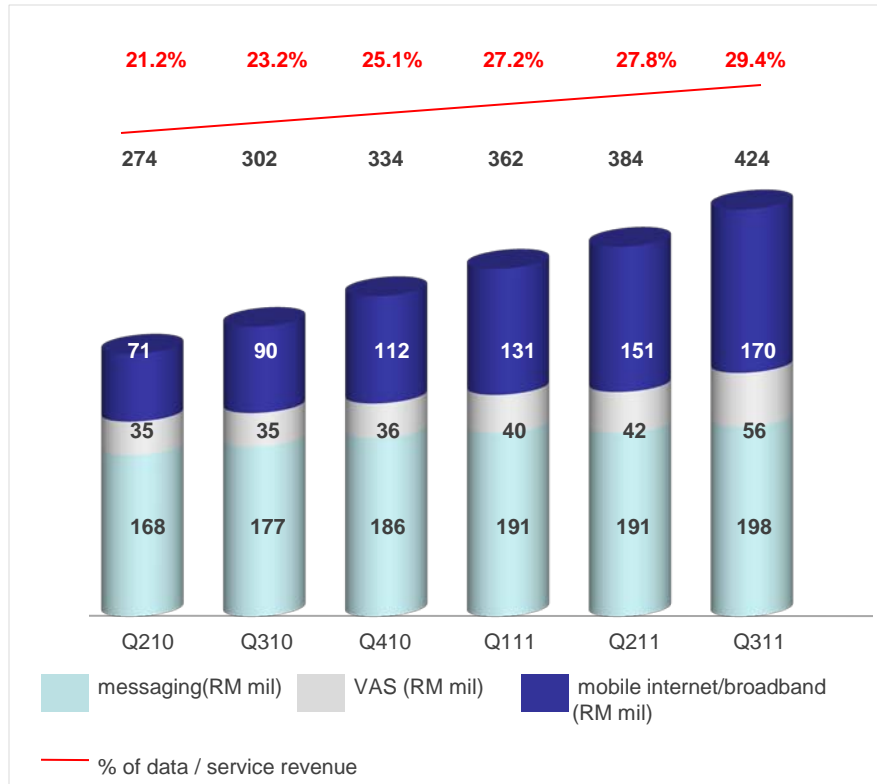
- +4.3% q-o-q service revenue growth
 - +10.4% data revenue growth
 - +2.0% voice revenue growth

- revenue improvement driven by increased usage; aided by festive-driven usage & larger subscriber base

- handset sales slightly lower than Q2

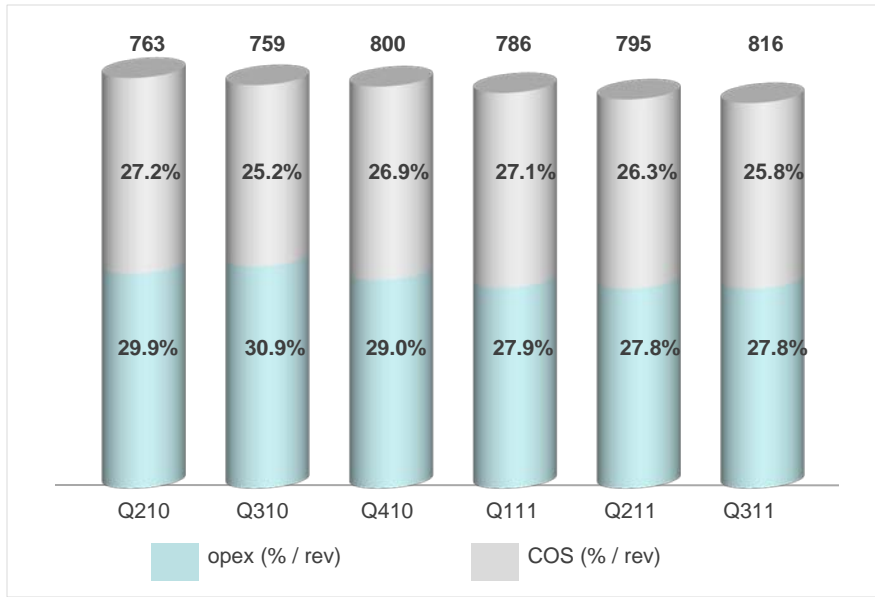


Smart bundling & pricing drive data growth

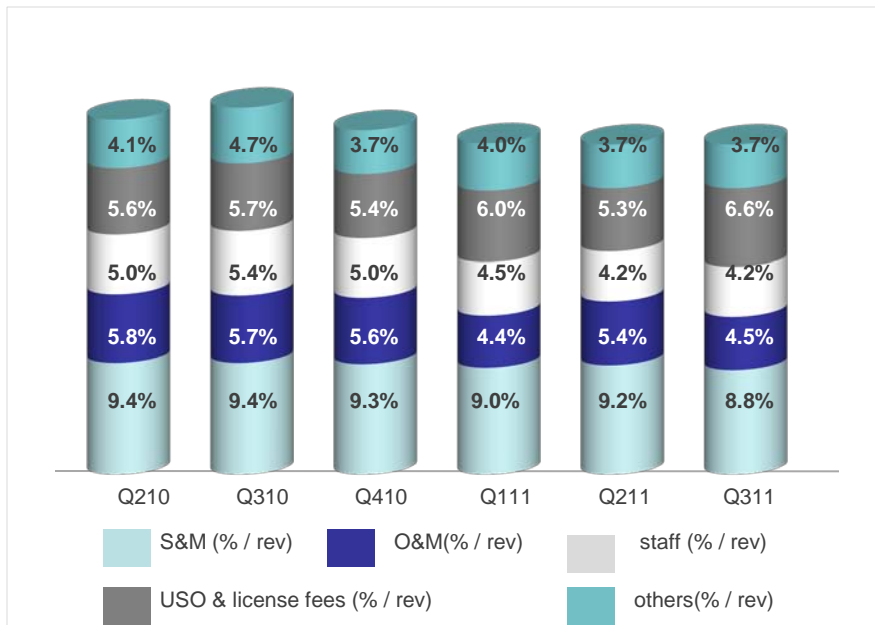


- +10.4% q-o-q data revenue growth; overall mobile data now close to 30% of revenue base
- making data accessible to the mass market
 - *“Internet for all” proposition continue to drive mobile data usage*
 - *introduced new data plans to encourage new data users*
 - *wider device portfolio*
- ~18% overall customers are smart-phone users





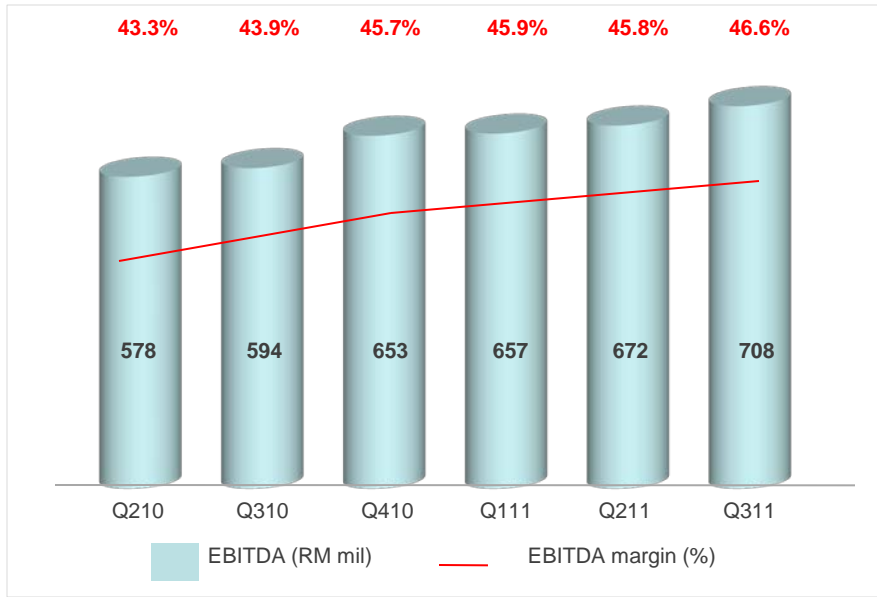
* numbers at the top refers to total cost for the respective quarters in RM million



Continued good cost management

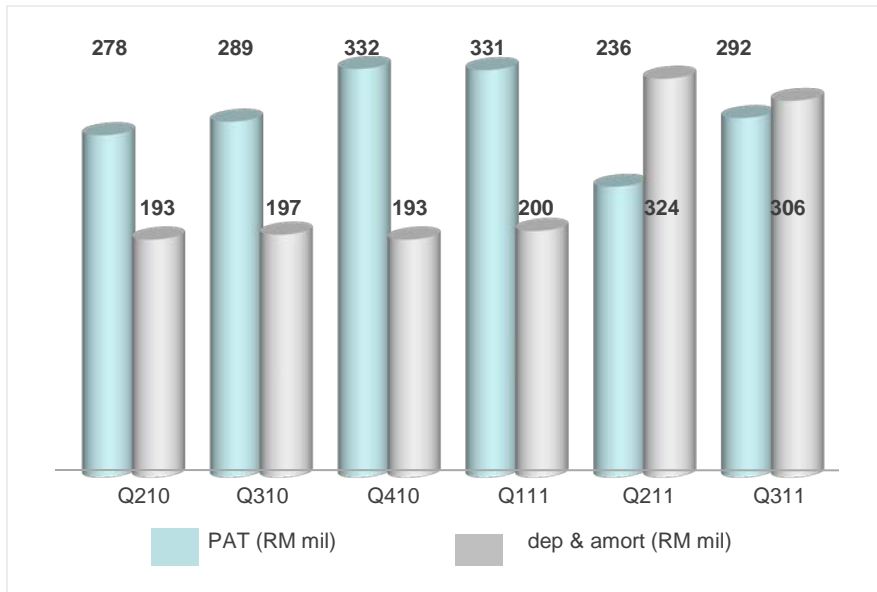
- continued positive results from on-going cost focus
- stable q-o-q cost of sales (+1.6%) from stable traffic costs & cost of materials
- also relatively stable q-o-q operating expenses (OPEX +3.6% q-o-q)
 - reduction in other OPEX able to off-set higher USO accruals this quarter

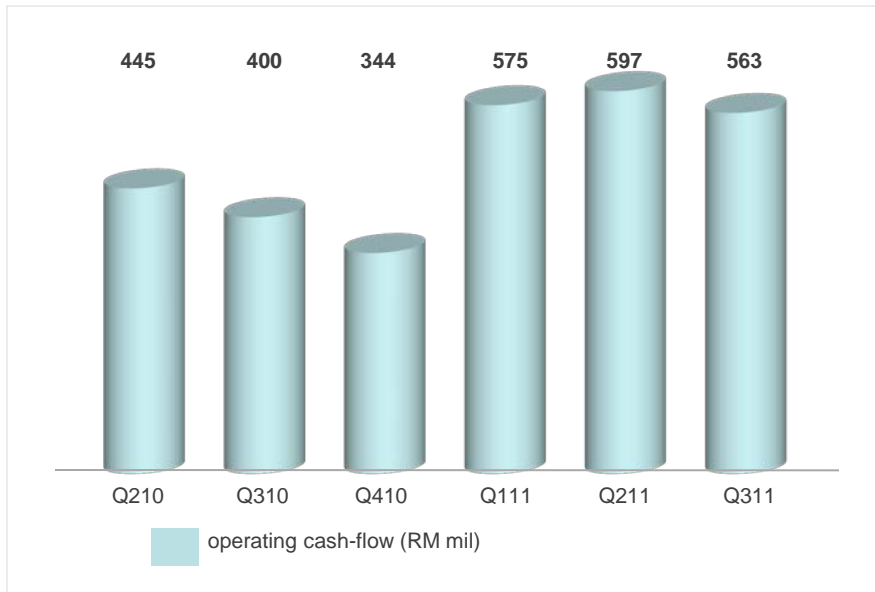
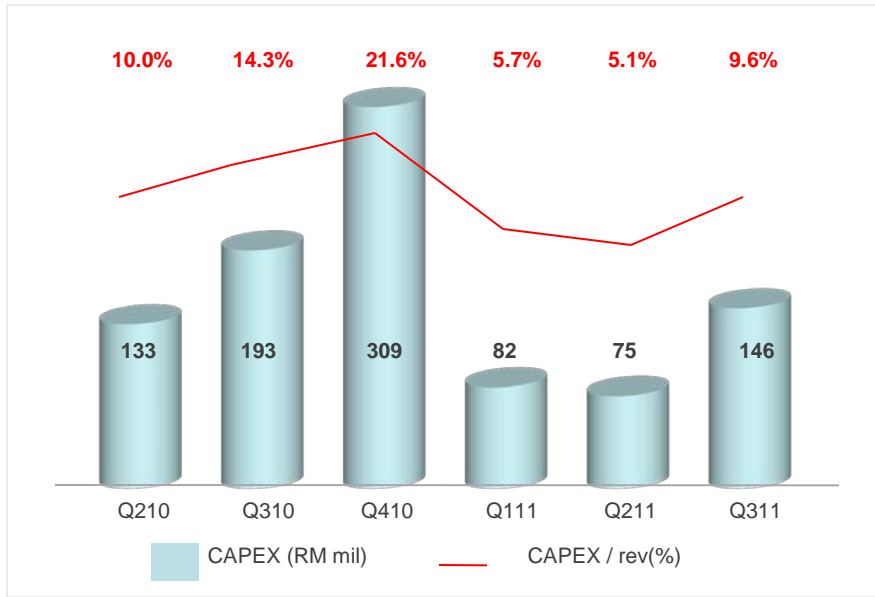




Improving EBITDA margin

- +5.4% q-o-q improvement in EBITDA
- +0.8ppt rise in EBITDA margin
- PAT improvement due to higher revenue base & lower accelerated depreciation & amortisation charges this quarter



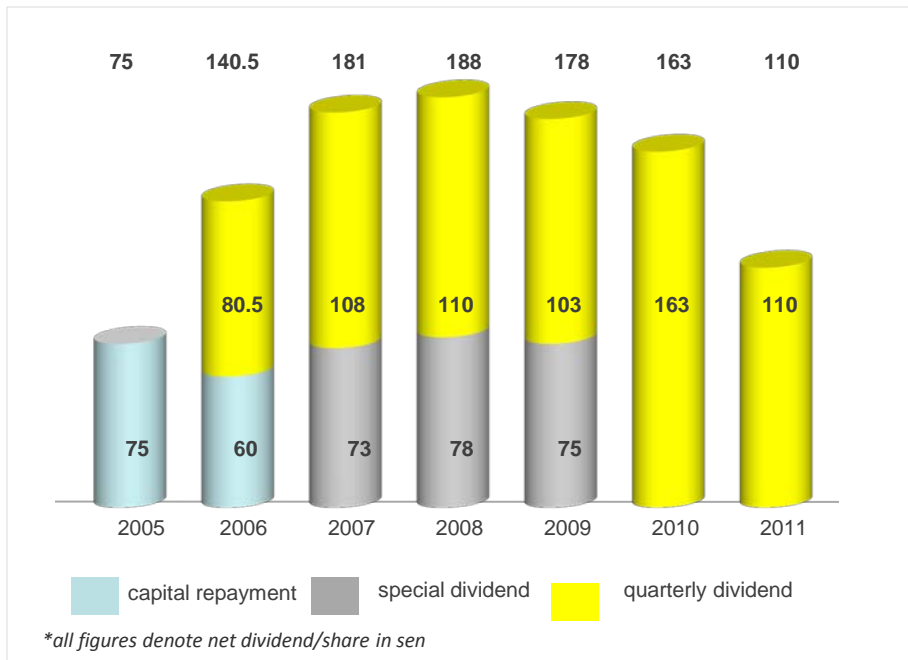


Network transformation updates

- network collaboration
 - proceeding to next stage – further site consolidation & last mile network transmission
 - embarking on Phase 1 joint-fiber roll-out for aggregation & trunk
 - maintaining savings targets; exploring additional initiatives to increase savings

- network modernisation
 - still targeting RAN swap completion by end-2012; slight push-back in project kick-off
 - 2011 capex lower than guided; roll-over to 2012





Shareholder returns

- on track to complete recently announced share split (end 2011) & capital management initiative (within first half 2012)
- slight reduction in cash balance after accounting for Q2 quarterly dividend & MTNs redemption
- working on longer-term capital management initiatives

(RM mil)	Q311	Q211	Q111	2010
Interest-bearing debts	670.9	1,023.5	1,023.2	1,023.0
Cash & equivalents	987.1	1,015.7	1,000.2	850.6
Payout ratio	98.5%	98.7%	101.0%	100.0%

(RM mil)	Q311*	2010	2009	2008
Total Return to Shareholder (TRS)	23.7%	12.0%	0.7%	-12.1%
ROE	89.6%	87.5%	65.8%	60.1%

•Q311 TRS for the first nine months of 2011 (simple share price appreciation) (source: Bloomberg)

•Q311 ROE annualised





Get more playtime out of your tablet.

Stretch your tablet's potential with tablet friendly Internet plans from only RM33/month*.

When you're out and about with your tablet, stay online and enjoy more chat and playtime by getting a tablet-friendly Internet plan from DiGi.

Updates

- **Regulatory**
 - spectrum

TABLET FRIENDLY INTERNET PLANS

Broadband Plans

From **RM 33** Month
Perfect for those with WiFi at home

DG Smart Plan™

From **RM 43** Month
Great for voice-enabled tablets

No Bill Shock

DiGi Internet™
Internet For All™

*After RM5 Auto Billing rebate every month. Terms and conditions apply.
Enquiries: 016 221 1800 or digi.com.my/tabletplan



Always the
smarter choice



DiGi SUPER RELOAD SOCIAL

100 awesome experiences for you and your Buddyz™

Scratch & win a chance to hang with Lisa Surihani, Aizat or Shaheizy Sam!

Lisa Surihani
Actress

PRIZE NO. #38/100
Tandem Paramotor Adventure

Pick from our 100 unique experiences or enjoy other great merchant rewards only with DiGi® Super Reload Social Promosi Implan Buddyz™. Cekidaut™!

STEP 1 Reload DiGi® Super Reload Social **RM15**

STEP 2 Scratch

STEP 3 Pick from 100 unique experiences or enjoy merchant rewards!

Cekidaut™ at **facebook**: DiGi Youths

Standard mobile internet charges will be imposed upon scanning and downloading.
Terms and conditions apply.

Enquiries: 016 221 1800 or digi.com.my/implanbuddyz

DiGi
Always the smarter choice

Participating merchants:

A-LOOK crocs elianto FOTOKEM guardian oripuri SILKYGIRL STARBUCK TGV Cinemas

2011 outlook – latest update*

- **Guidance**
 - high single digit revenue growth
(YTD: +11.1%)
 - improve margins
(YTD: 46.1%)
 - *capex ~RM550mil
(YTD: RM302mil)
 - *corresponding higher OpCF on lower 2011 capex
(YTD: RM1,735mil)

PREPAID INTERNET™

**RELOAD
& WIN
A TABLET!**

msn
msn.com.my

Google

facebook

twitter

foursquare

flickr™

YAHOO!

DiGi Internet™

3 winning steps

- 1 Reload minimum RM50 between 16 August - 30 September 2011. The more you reload, the better your chances of winning.
- 2 Log on to www.digi.com.my/internet/booster, complete your details and answer a simple question.
- 3 Win an Android Tablet!

Promotion period: 16 August – 30 September 2011.

2012 - opportunities & priorities

- defend strongholds; fully exploit mobile data opportunities
- build network capabilities to support mobile data growth
- explore further industry collaboration
- continue to leverage on 'Group' scale & global initiatives
- optimising shareholder returns

Family-friendly Internet with DiGi

Supported by  McAfee



DiGi

Always the smarter choice

2012 – high level outlook

- mid-to-high single digit revenue growth
- further improvement in cost efficiency
- capex ~RM800mil
- stable OpCF

Redeem DiGi bill rebates, smartphones and more with BonusLink Points

Hurry, limited stocks!



DiGi

DiGi

Q & A

DiGi Super Reload Social Promosi Impian Buddyz™

Win awesome experiences for you
and your Buddyz! Cedikaut™

DiGi **SUPER RELOAD** SOCIAL

RM **15** KREDIT +

250 DiGi SMS
100 Facebook / Twitter SMS
100 DiGi MMS

Shahmirzy Sam
Lisa Surifiani
Alzat

Promosi **Impian Buddyz™**

Jom menang hadiah bes giler untuk enjoy bersama Buddyz™. Menang dengan selamber!

DiGi

Appendices



Y-o-Y key numbers

	Q32011	Q32010	Y-o-Y vs 2010
Customer base	9.6mil	8.2 mil	+17.1%
Revenue	RM1,520mil	RM1,351 mil	+12.5%
EBITDA	RM708 mil	RM594 mil	+19.2%
EBITDA margin	46.6%	43.9%	+2.7pp
PAT	RM292 mil	RM289 mil	+1.0%
Operating cash-flow	RM563 mil	RM400 mil	+40.8%

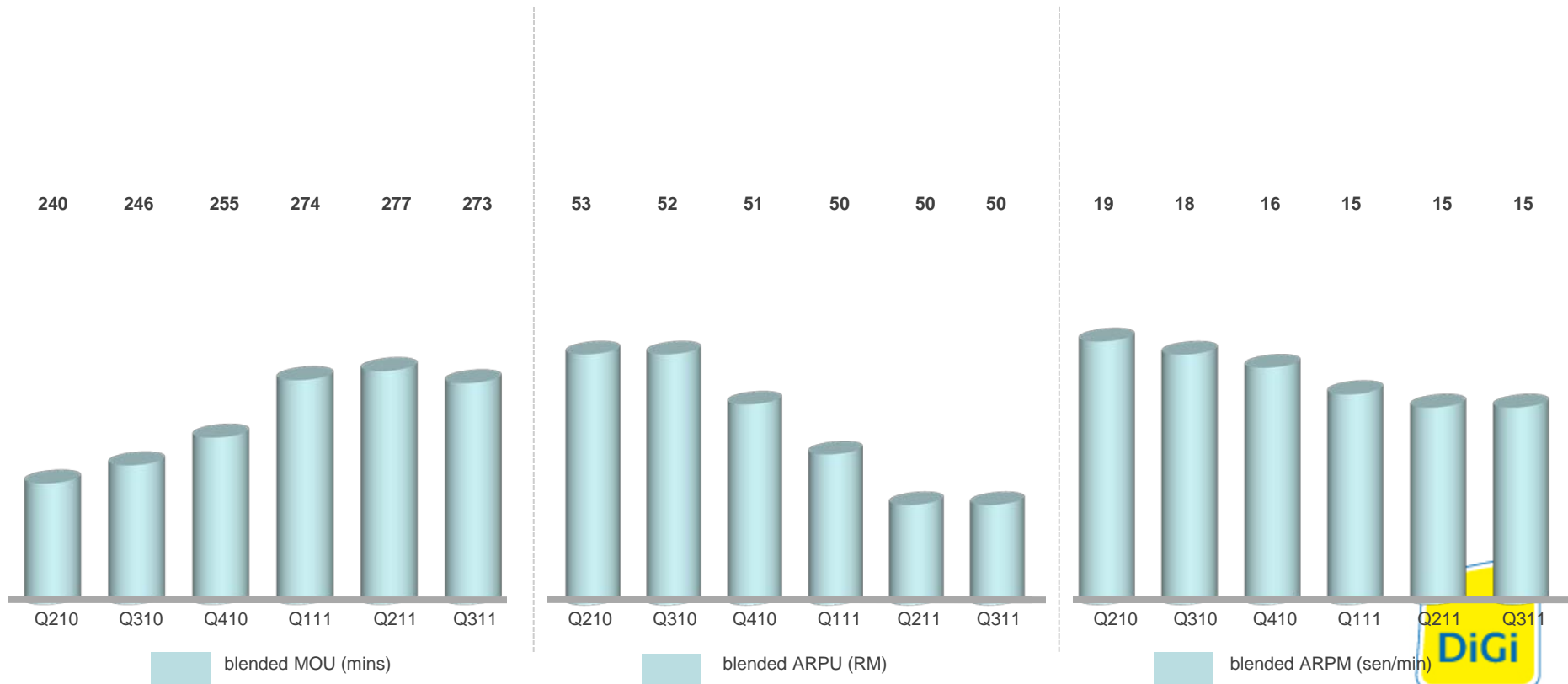


Y-o-Y key numbers

	Q32011	Q32010	Y-o-Y vs 2010
Prepaid ARPU	RM43	RM47	-8.5%
Postpaid ARPU	RM85	RM82	+3.7%
Blended ARPU	RM50	RM52	-3.8%
Prepaid Revenue	RM1,029 mil	RM953 mil	+8.0%
Postpaid Revenue	RM411 mil	RM349 mil	+17.8%
Data Revenue	RM424 mil	RM302 mil	+40.4%



Blended MOU, ARPU & ARPM



Reported P&L

(RM mil)	Q311	Q211	Q111	Q410	Q310	Q210
EBITDA	708.3	671.9	657.2	653.4	593.8	578.4
Depreciation & Amortisation	(306.1)	(323.8)	(200.5)	(193.3)	(196.7)	(192.7)
EBIT	402.2	348.1	456.7	460.1	397.1	385.7
Net finance (costs)/income	(3.7)	(22.8)	(9.5)	(9.8)	(6.7)	(7.7)
- <i>finance costs</i>	(9.7)	(30.6)	(15.4)	(15.7)	(12.9)	(12.9)
- <i>interest income</i>	6.0	7.8	5.9	5.9	6.2	5.2
PBT	398.5	325.3	447.2	450.3	390.4	378.0
Taxation	(106.1)	(89.0)	(115.8)	(118.2)	(101.1)	(99.6)
PAT	292.4	236.3	331.4	332.1	289.3	278.4
EPS (sen)	37.6	30.4	42.6	42.7	37.2	35.8



COS & OPEX breakdown

(RM mil)	Q311	Q211	Q111	Q410	Q310	Q210
COS	392.8	386.4	387.4	384.8	341.1	363.7
- cost of materials	85.8	90.9	96.1	96.6	49.1	56.5
- traffic charges	307.0	295.5	291.3	288.2	292.0	307.1
OPEX	422.9	408.2	398.8	414.7	418.0	398.9
- sales & marketing	133.8	134.7	128.2	133.2	127.2	125.9
- staff costs	63.1	61.5	63.7	71.5	72.4	66.8
- operations & maintenance	69.5	79.9	63.0	80.4	76.8	77.5
- other expenses	156.5	132.1	143.9	129.6	141.6	128.7
• USP fund and license fees	101.0	77.3	85.4	77.2	77.5	74.6
• credit loss allowances	11.3	10.9	6.7	8.2	18.4	14.3
• others	44.2	43.9	51.8	44.2	45.7	39.8
TOTAL	815.7	794.6	786.2	799.5	759.1	762.6



Cash-flow

(RM mil)	Q311	Q211	Q111	Q410	Q310	Q210
Cash at start	1,015.7	1,000.2	850.6	888.8	680.4	682.5
Cash-flow from operations	554.5	609.4	593.5	427.9	486.6	529.4
Changes in working capital	140.2	(193.1)	(32.2)	169.7	172.6	(31.0)
Cash-flow used in investing activities	(140.0)	(63.3)	(74.2)	(222.4)	(178.8)	(128.4)
- Capex	(145.5)	(74.6)	(81.8)	(308.6)	(194.1)	(133.2)
Cash-flow used in financing activities	(583.3)	(337.5)	(337.5)	(413.4)	(272.1)	(372.1)
Net change in cash	(28.6)	15.5	149.6	(38.2)	208.4	(2.1)
Cash at end	987.1	1,015.7	1,000.2	850.6	888.8	680.4
Operational cash-flow <i>(EBITDA – Capex)</i>	562.8	597.3	575.4	344.9	399.7	445.2

Disclaimer

This presentation and the following discussion may contain forward looking statements by DiGi.Com Berhad (“DiGi”) related 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 DiGi’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 DiGi. In particular, such statements should not be regarded as a forecast or projection of future performance of DiGi. It should be noted that the actual performance or achievements of DiGi may vary significantly from such statements.





thank you

see you next quarter