4th Quarter
2014 Results

Lars Ake Norling, CEO

9 February 2015

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Key highlights

Financials and regulatory updates

2015 guidance

Q&A

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4Q 2014

Consistently drive solid performance

2014 Guidance	Actual
4-6% Revenue growth	✓ 4.2%
Sustain EBITDA margin at 2013 level	✓ 45%

Delivered 2014 financial guidance

39.6% internet revenue growth in 2014

2.7% sequential growth on service revenue

Robust data network coverage (86%: 3G; 32%: LTE)

11.4 million subscribers on Digi's modernised network

7.2 sen dividend per share
Total dividend up 22.1% y-o-y

4Q 2014

Leading revenue growth backed by steady EBITDA margin

	FY 2014	4Q 2014
Revenue	RM7,019 million **+4.2% y-o-y**	RM1,799 million **+3.8% y-o-y**
Service Revenue	RM6,333 million **+3.3% y-o-y**	RM1,627 million **+3.2% y-o-y**
EBITDA	**45% Margin** RM3,163 million	**45% Margin** RM801 million
Ops Cash-Flow	**32% Margin** RM2,259 million	**32% Margin** RM568 million
PAT	**29% Margin** RM2,031 million	**31% Margin** RM560 million

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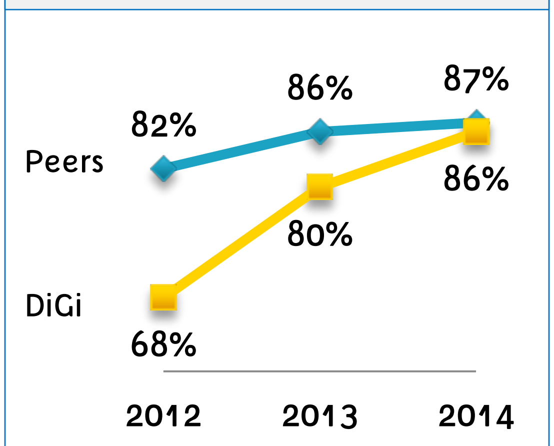
4Q 2014

Solid foundation to deliver earnings growth

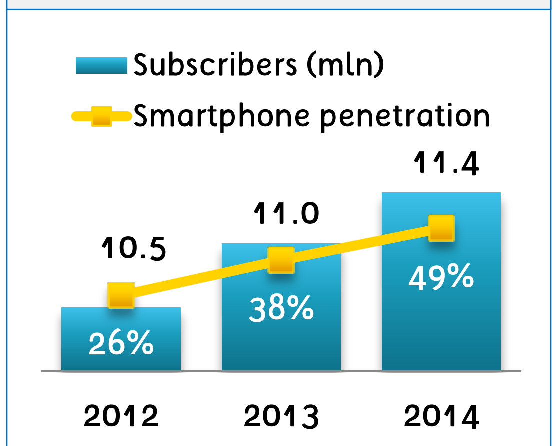
INTERNET FOR ALL
Best for internet.
Enabling digital
lifestyle for Malaysians

- 3G rollout
- DiGi Smartplan
- Modernised network
- Bite-sized internet
- New billing platform
- Digital services
- Competitive data network
- Affordable bundles
- LTE expansion

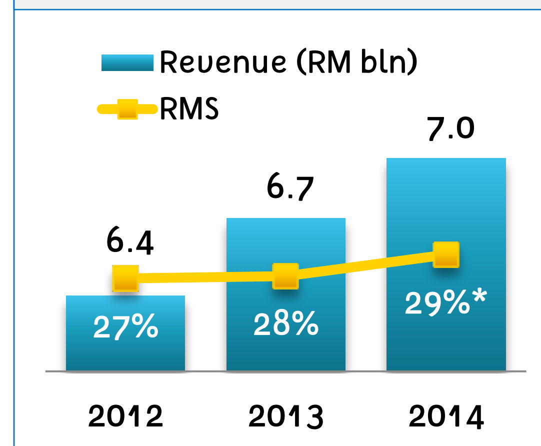
3G population coverage



Subscribers



Revenue



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* Estimated revenue market share

4Q 2014

Launched Digi '*Let's Inspire*' brand

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Source of inspiring internet content.
Highly engaging, highly infectious

We believe that everyone should have access to inspiring mobile internet content – wherever, whenever.

We also believe that the more people are inspired, the more they will share what they find and inspire others along the way.

DIGI LIVE

Forefront of bringing the latest and most inspiring content and differentiated product

DIGI EASY

Consistent and seamless customer experience, and best self-serve channels

DIGI VALUE

Better value for money and affordable mobile internet access

BEST FOR INTERNET

Most consistent internet experience

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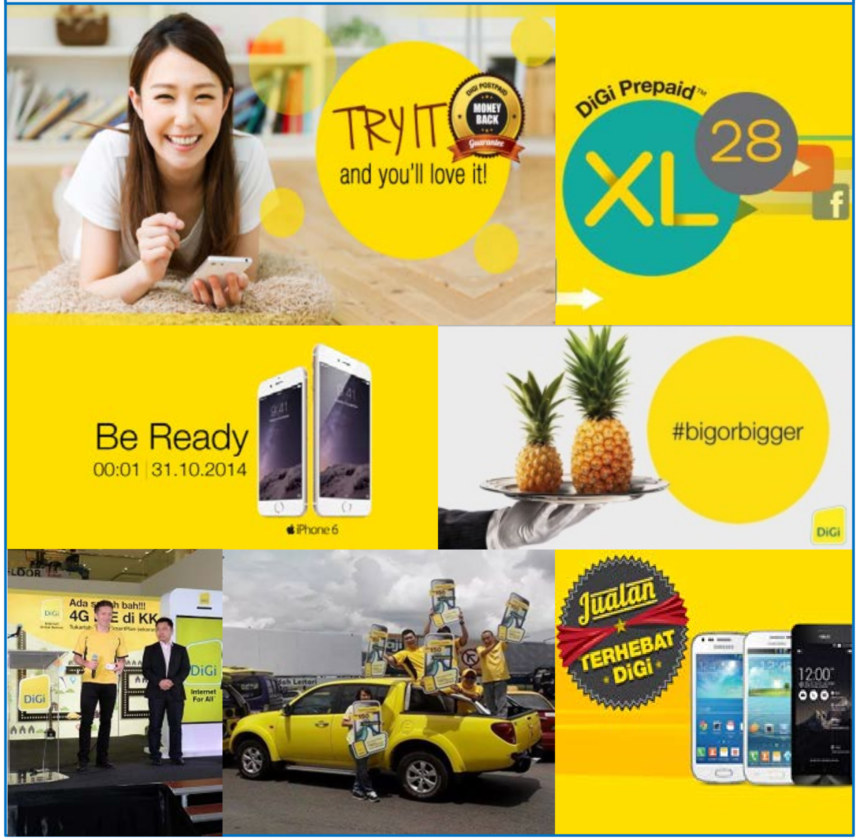
Enabling more customers on Digi's modernised network

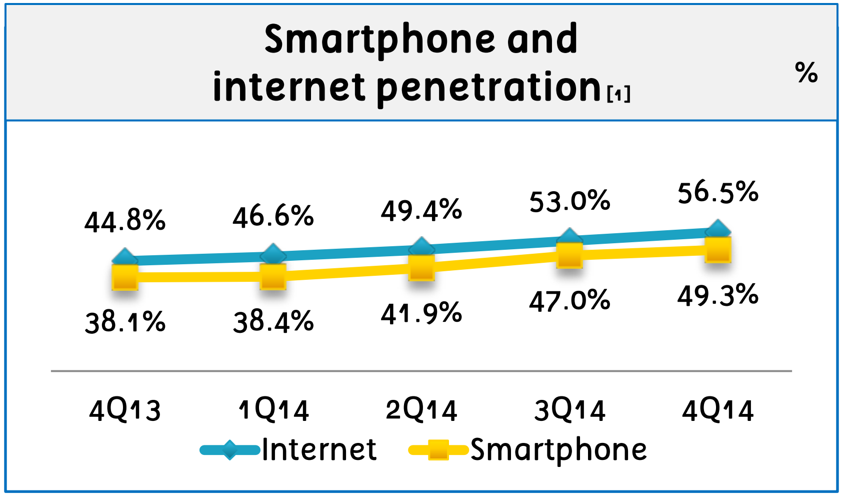
Capturing data growth opportunities

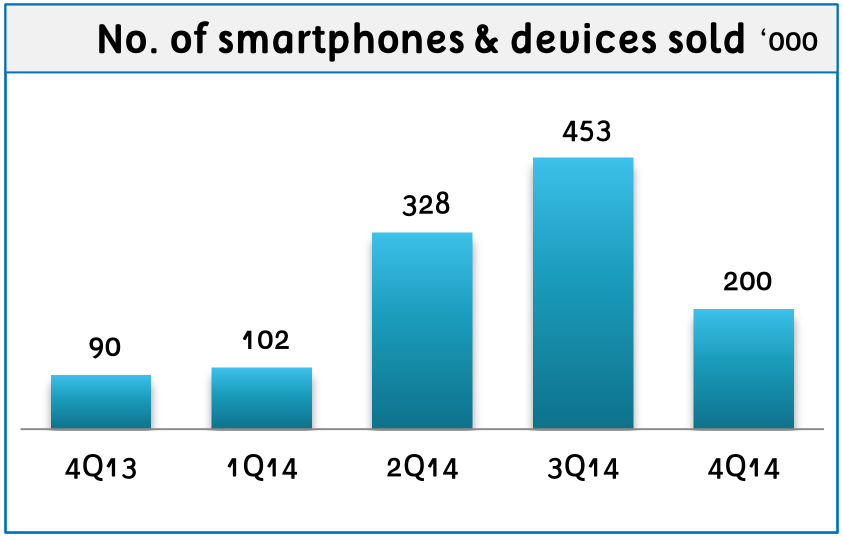


- Positive demand from iPhone 6 launch and prepaid XL internet combo packages
- Attractive data offerings and year end promotions
- Extensive on ground activities and micro-campaigns
- Progressively expand LTE footprint, focusing on areas with strong demand for LTE services, ready availability of devices, and where Digi can make a real difference
  - LTE available in 9 locations ie Klang Valley, Penang, Kampar, Johor Bahru, Kuching, Miri, Kota Kinabalu, Tawau, and Labuan

4Q 2014

Successfully drive higher smartphone and internet adoption

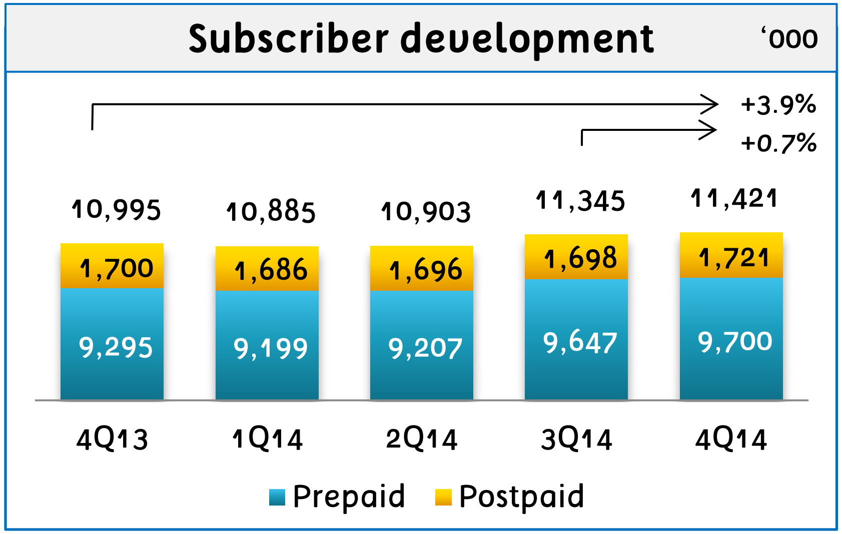


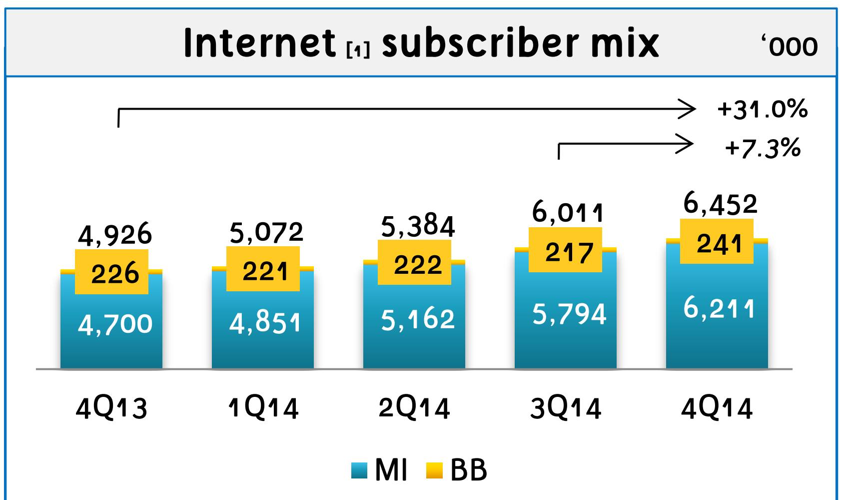


- Solid growth trajectory for both internet and smartphone penetration
  - 2 to 3pp higher q-o-q
  - 11 to 12pp higher y-o-y
- Supported by significant improvement in network performance and coverage, easy access to a wide range of affordable smartphones bundles and digital service innovation
- Lower affordable smartphone volumes sold as focus tactically shifted to support new iPhone and Samsung launches
- Will continue to offer affordable and relevant smartphone bundles as part of the *Internet For All* focus

[1] Subscribers with at least 150kb for the last 3 months

Stronger subscriber base for both prepaid and postpaid



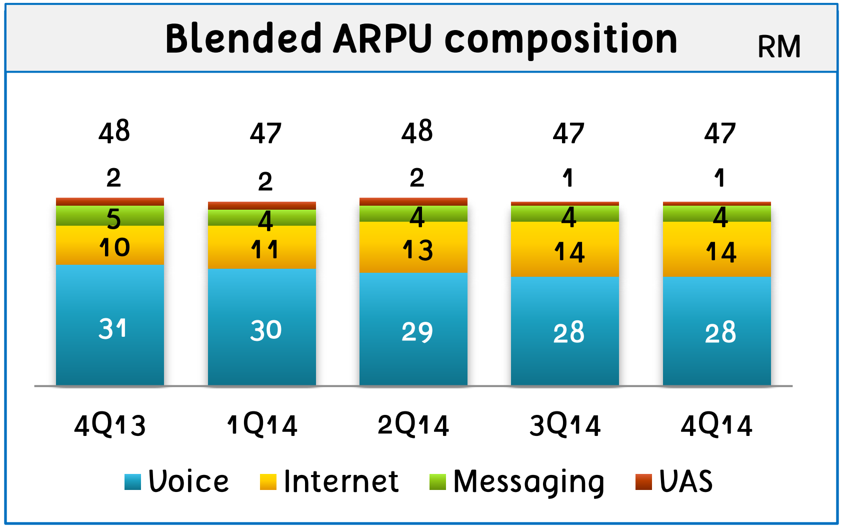


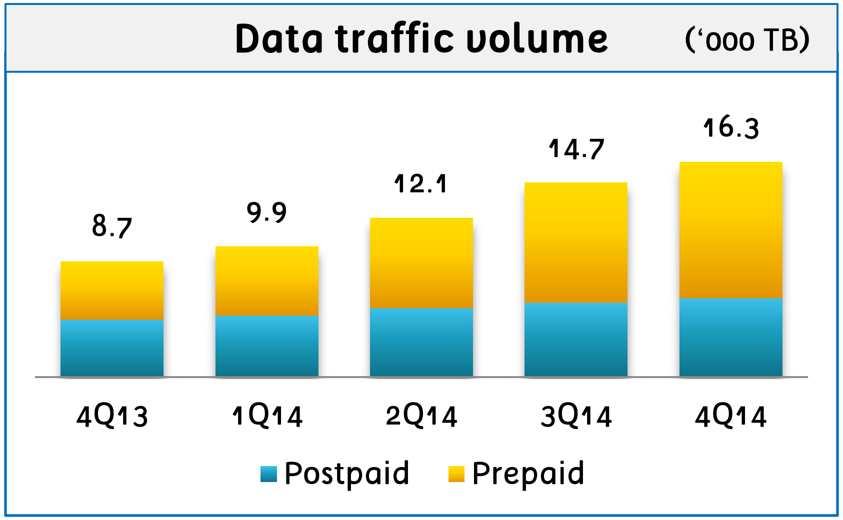
- Successful year end promotions and new iPhone launch contributed to additional 76K net adds for the quarter
- Encouraging growth in both postpaid and prepaid subscribers
  - +23K postpaid net adds
  - +53K prepaid net adds
- Additional 1.5 million active internet subscribers, from a year ago, to almost 6.5 million
  - Contributing positively to internet revenue and top line revenue growth
- Slight re-bound on BB subscribers contributed by prepaid internet drive

[1] Subscribers with at least 150kb for the last 3 months

4Q 2014

Resilient ARPU development over 11.4 million subscribers



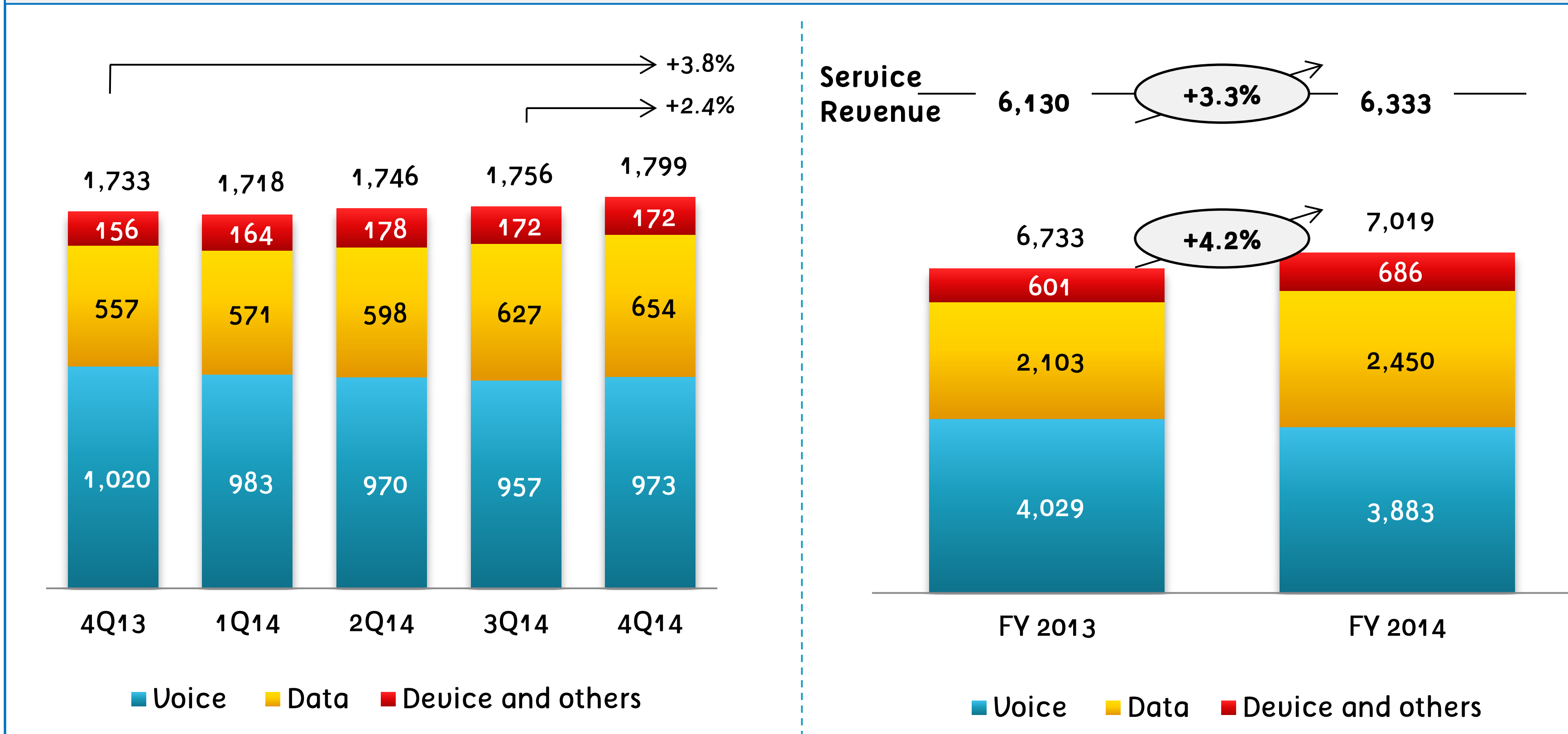


- Sustained ARPU levels amidst competition and expansion of subscriber base
  - Prepaid ARPU at RM41; postpaid ARPU at RM83
  - Internet ARPU strengthened steadily, contributing close to 30% of blended ARPU
- Data traffic continued to grow 86% y-o-y and 11% q-o-q from increasing internet adoption and usage, backed by improved network quality and coverage
  - 134% y-o-y and 13% q-o-q for prepaid
  - 38% y-o-y and 6% q-o-q for postpaid
- Voice MOU remained fairly stable at 248, although gradually trending down

Revenue growth continued to solidify Digi's market position

Revenue development

RM mln



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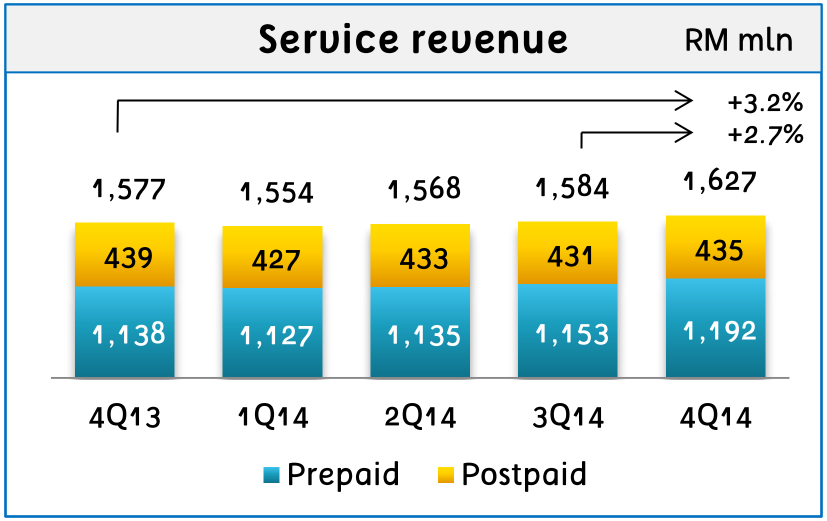
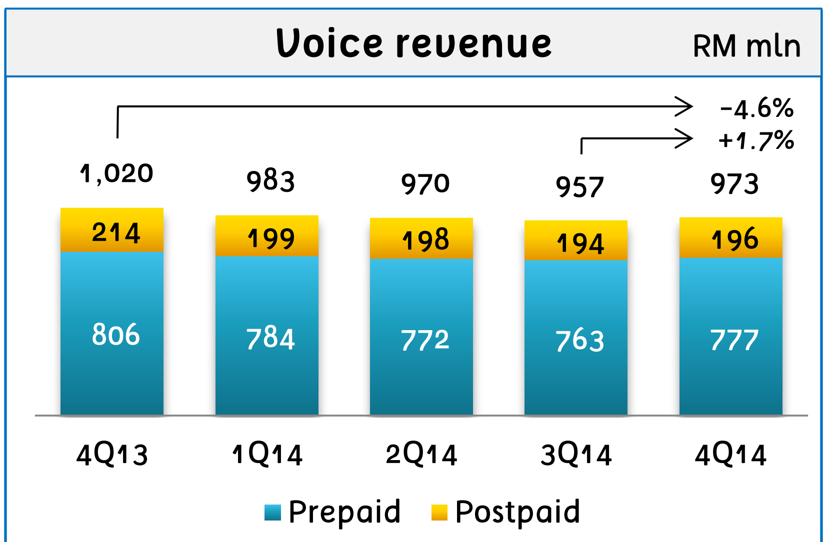
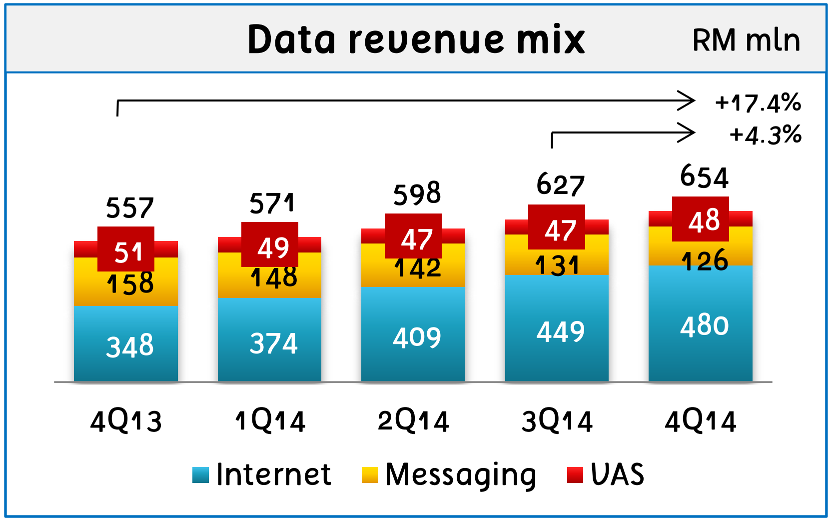
Robust q-o-q service revenue growth

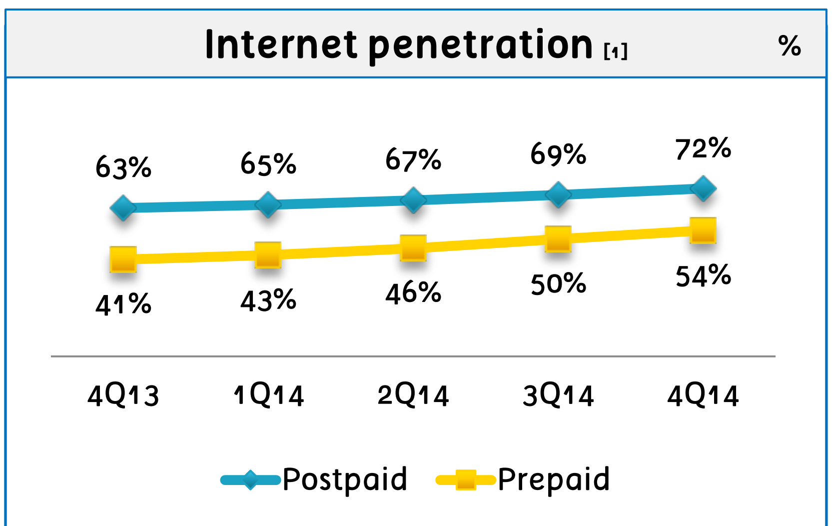




- Stronger subscriber base contributed to solid q-o-q service revenue trajectory
- Prepaid service revenue up 3.4% q-o-q and 4.7% y-o-y, fueled by strong subscriber growth from prior quarter
  - maintained market leadership
- Postpaid service revenue improved 0.9% q-o-q
- Voice revenue for both postpaid and prepaid improved q-o-q, resilient against increasing data adoption and usage
- Full year voice revenue declined by 3.6% but well-cushioned by 16.5% data revenue growth

Continued to benefit from internet growth opportunities

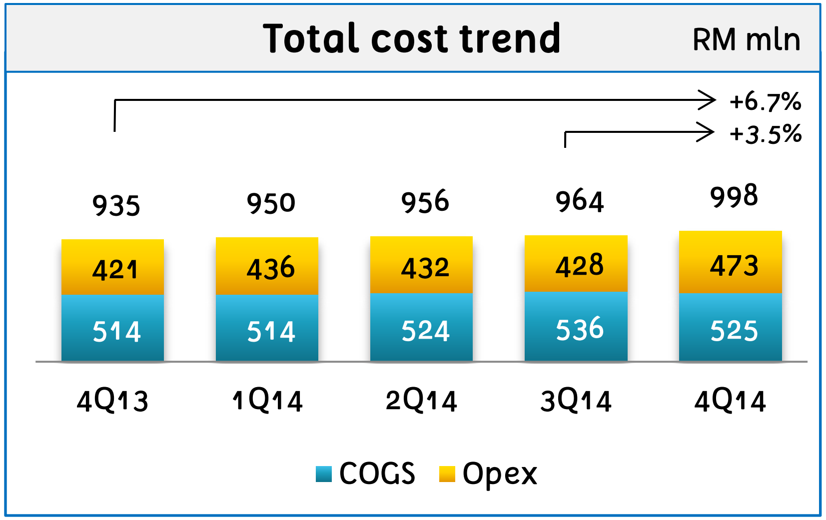


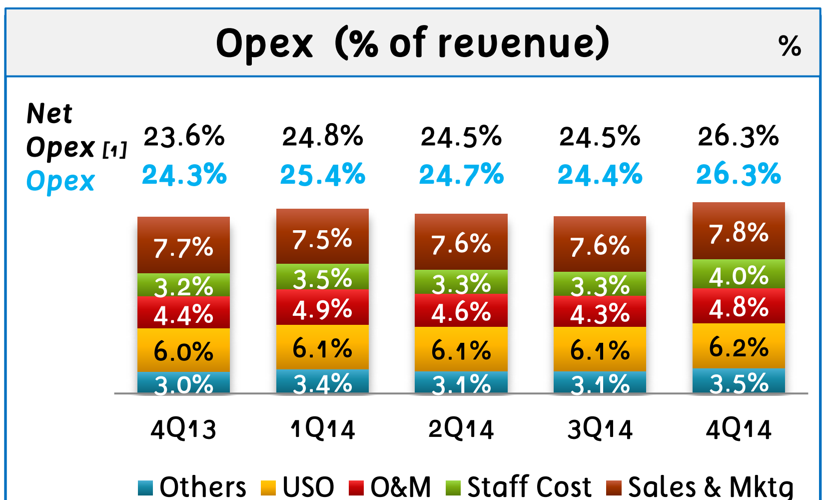


- Data revenue rose 17.4% y-o-y and 4.3% q-o-q
- Ubiquity of affordable smartphones and ‘always-on’ internet demand supported by robust data coverage continued to generate higher internet revenue
- Internet revenue climbed 37.9% y-o-y and 6.9% q-o-q
  - 39.6% growth for FY 2014
- Both prepaid and postpaid registered stronger internet penetration q-o-q
  - +3pp for postpaid
  - +4pp for prepaid
- Positive trajectory towards enabling *Internet For All*

[1] Subscribers with at least 150kb for the last 3 months

Higher revenue generating and network expansion related opex





- Improved COGS q-o-q aided by efficient traffic charges, although impacted by weaker MYR and higher device cost
- Sales and marketing activities ramped up to drive higher acquisition and usage, in addition to prominent smartphone launches
- O&M cost weighed down by data network expansion cost, site restoration and other repair cost for the flood
- Higher staff bonus provisions in line with stronger performance and additional training incurred on the new billing system
- Opex surged 12.4% y-o-y and 10.5% q-o-q
    - FY 2014 opex to revenue ratio fairly stable at 25.2% (2013: 24.9%)

[1] Net Opex = Opex + Forex/FV changes + Other Income

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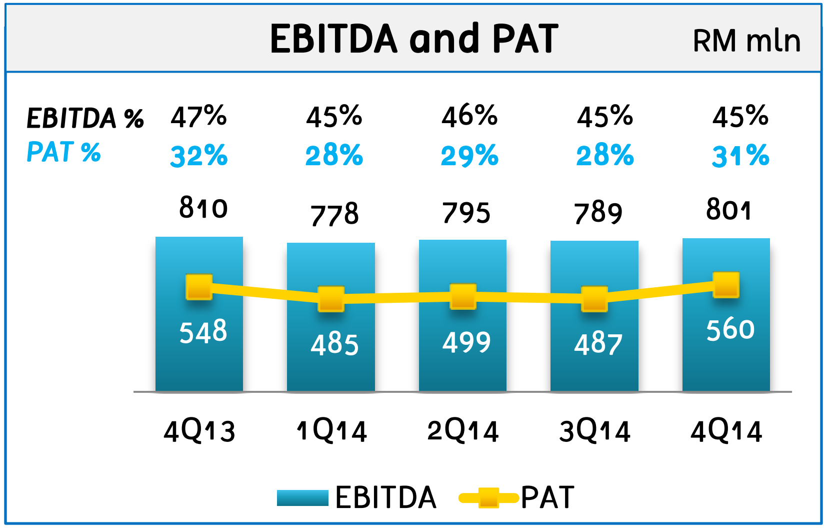
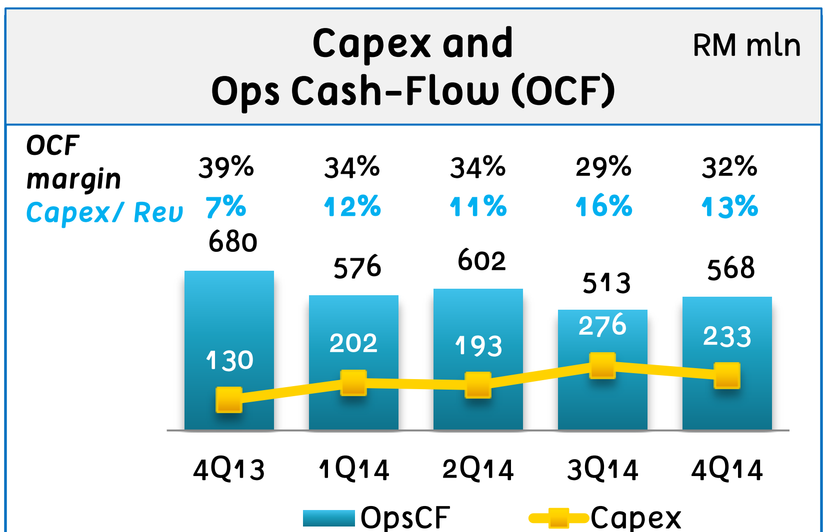
Stable sequential EBITDA margin at 45%

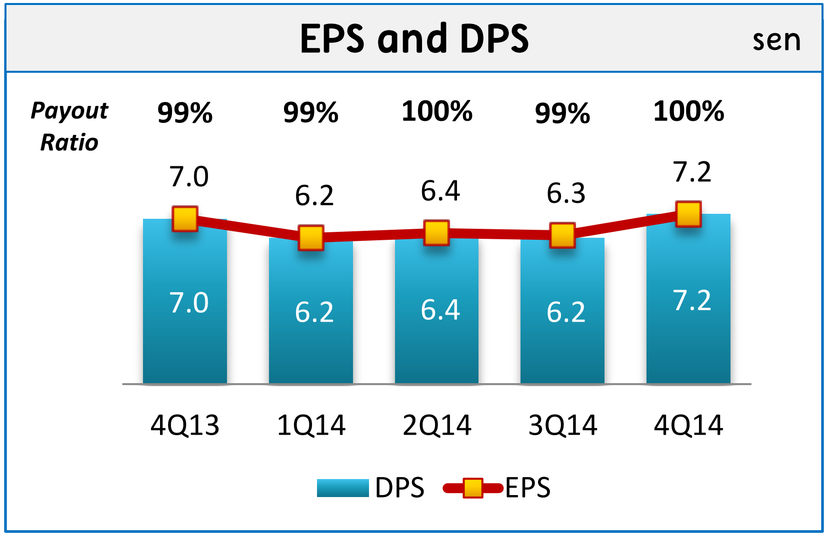




- EBITDA margin remained resilient at 45% level
  - absolute EBITDA rose 1.5% q-o-q although 1.1% lower from a year ago
- Higher PAT y-o-y driven by stronger EBITDA and spillover of qualifying last mile tax incentives from prior years
  - Full year PAT grew 19.1%
- Invested RM904million in *Best For Internet* network and IT infrastructure capabilities as planned
  - Expansion on 3G and LTE coverage
  - Extension of fibre network to more than 4,700km
  - New convergent billing platform
- Healthy Ops Cash-Flow, underpinned by steady EBITDA margin

4Q 2014

22.1% higher total dividend payout to shareholders in 2014



Balance sheet RM mln

	4Q13	1Q14	2Q14	3Q14	4Q14
Total Assets	3,752	3,667	3,759	3,785	4,308
Total Equity	661	602	619	608	686
Interest-bearing debts	749	853	848	598	1,048
Cash & cash equivalents	411	372	403	259	519

- EPS rose to 7.2 sen due to lower taxes
  - Total EPS increased 4.2 sen or 19.2% to 26.1 sen (2013: 21.9 sen)
- Declared dividend of 7.2 sen per share (net) equivalent to RM560 million, payable to shareholders on 13 March 2015
- Total dividend payout increased 4.7 sen or 22.1% to 26.0 sen (2013: 21.3 sen)
- Net debt to EBITDA remained below 0.2x
- Continued to maintain strong balance sheet and drive efficient capital management opportunities

4Q 2014

Key regulatory developments

- Digi's NFP and NSP licenses renewed another 10 years
- New mobile termination rates applicable from 1 January 2015
- Telco services will be subject to 6% GST with effect from 1 April 2015, replacing current service tax

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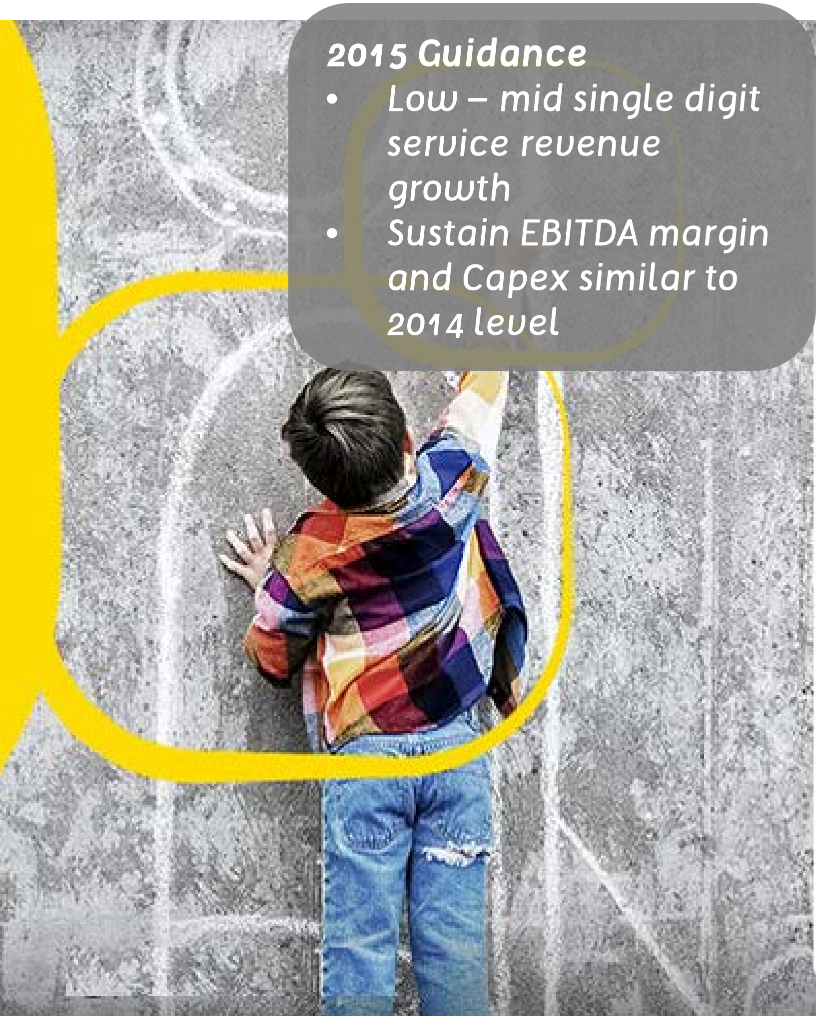
4Q 2014

Focus on performance excellence, innovations and customers

2015 Priorities & Ambitions

- Continue to drive internet growth opportunities
- Strengthen infrastructure capabilities to support best for internet experience
- Strong commitment to deliver service excellence to customers via DiGi's '*Let's Inspire*' key propositions
- Relentless focus on operational efficiency



2015 Guidance
- *Low – mid single digit service revenue growth*
- *Sustain EBITDA margin and Capex similar to 2014 level*

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Thank you

See you next quarter!

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Appendix

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4Q 2014

Key operating performance KPIs

(RM mln)	4Q14	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y
Subscribers ('000)	11,421	11,345	10,903	10,885	10,995	10,827	10,548	10,372	10,494	1%	4%
Internet subscribers ('000)	6,452	6,011	5,384	5,072	4,926	4,753	4,349	3,917	N/A	7%	31%
MOU	248	252	251	249	256	260	267	267	267	-2%	-3%
Revenue	1,799	1,756	1,746	1,718	1,733	1,700	1,653	1,647	1,629	2%	4%
EBITDA	801	789	795	778	810	766	747	720	725	2%	-1%
EBITDA margins	*45%*	*45%*	*46%*	*45%*	*47%*	*45%*	*45%*	*44%*	*44%*	*-0.4pp*	*-2.2pp*
Depreciation & Amortisation	(132)	(127)	(115)	(118)	(122)	(221)	(247)	(288)	(361)	4%	8%
EBIT	669	662	680	660	688	545	500	432	364	1%	-3%
Net finance (costs)/income	(9)	(5)	(6)	(6)	(5)	(6)	(6)	(8)	(4)	80%	80%
Profit Before Tax	660	657	674	654	683	539	494	424	360	0%	-3%
Taxation	100	170	175	169	135	90	114	95	114	-41%	-26%
Profit After Tax	560	487	499	485	548	449	380	329	246	15%	2%
EPS (sen)	7.2	6.3	6.4	6.2	7.0	5.8	4.9	4.2	3.2	14%	3%
Prepaid ARPU (RM)	41	41	41	41	41	41	42	40	41	0%	0%
Postpaid ARPU (RM)	83	82	83	81	83	82	83	82	83	1%	0%
Blended ARPU (RM)	47	47	48	47	48	48	48	47	47	0%	-2%

4Q 2014

Revenue composition

(RM mln)	4Q14	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y
REVENUE	**1,799**	**1,756**	**1,746**	**1,718**	**1,733**	**1,700**	**1,653**	**1,647**	**1,629**	**2%**	**4%**
Service Revenue	**1,627**	**1,584**	**1,568**	**1,554**	**1,577**	**1,553**	**1,526**	**1,476**	**1,492**	**3%**	**3%**
Voice revenue	973	957	970	983	1,020	1,020	1,011	978	1,004	2%	-5%
Data revenue	654	627	598	571	557	533	515	498	488	4%	17%
Internet	480	*449*	*409*	*374*	*348*	*320*	*293*	*265*	*242*	7%	38%
Messaging	126	*131*	*142*	*148*	*158*	*162*	*172*	*183*	*193*	-4%	-20%
VAS	48	*47*	*47*	*49*	*51*	*51*	*50*	*50*	*53*	2%	-6%
Device and other revenue	**172**	**172**	**178**	**164**	**156**	**147**	**127**	**171**	**137**	**0%**	**10%**
Prepaid Revenue	**1,192**	**1,153**	**1,135**	**1,127**	**1,138**	**1,119**	**1,093**	**1,050**	**1,067**	**3%**	**5%**
Voice revenue	777	763	772	784	806	807	796	768	785	2%	-4%
Data revenue	415	390	363	343	332	312	297	282	282	6%	25%
Postpaid Revenue	**435**	**431**	**433**	**427**	**439**	**434**	**433**	**426**	**425**	**1%**	**-1%**
Voice revenue	196	194	198	199	214	213	215	210	219	1%	-8%
Data revenue	239	237	235	228	225	221	218	216	206	1%	6%

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4Q 2014

Reported COGS and OPEX

(RM mln)	4Q14	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y
COGS	**525**	**536**	**524**	**514**	**514**	**514**	**493**	**519**	**506**	**-2%**	**2%**
Cost of materials	197	177	183	165	151	144	139	182	157	11%	30%
Traffic charges	328	359	341	349	363	370	354	337	349	-9%	-10%
OPEX	**473**	**428**	**432**	**436**	**421**	**420**	**415**	**417**	**400**	**11%**	**12%**
Sales & marketing	140	133	133	129	133	130	129	122	122	5%	5%
Staff costs	72	58	58	60	57	57	61	60	51	24%	26%
Operations & maintenance	85	76	81	84	76	84	81	83	74	12%	12%
Other expenses	176	161	160	163	155	149	145	152	153	9%	14%
USP fund and license fees	*112*	*107*	*107*	*105*	*104*	*103*	*95*	*96*	*92*	5%	8%
Credit loss allowances	*9*	*10*	*6*	*8*	*7*	*7*	*7*	*6*	*8*	-10%	29%
Others	*55*	*44*	*47*	*50*	*44*	*39*	*43*	*50*	*53*	25%	25%
TOTAL	**998**	**964**	**956**	**950**	**935**	**934**	**908**	**936**	**906**	**4%**	**7%**

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4Q 2014
Reported Cash-Flow

(RM mil)	4Q14	3Q14	2Q14	1Q14	4Q13	3Q13	2Q13	1Q13	4Q12	Q-o-Q	Y-o-Y
Cash at start	**259**	**403**	**372**	**411**	**550**	**761**	**579**	**709**	**1,453**	**-36%**	**-53%**
Cash-flow from operations	524	780	770	664	826	616	651	543	542	-33%	-37%
Changes in working capital	1	93	(65)	(68)	(197)	(248)	9	(142)	(110)	-99%	-101%
Cash-flow used in investing activities	(226)	(271)	(191)	(192)	(126)	(227)	(180)	(186)	(243)	-17%	79%
Cash-flow used in financing activities	(39)	(746)	(483)	(443)	(642)	(352)	(298)	(346)	(933)	-95%	-94%
Net change in cash	260	(144)	31	(39)	(139)	(211)	182	(130)	(744)	-281%	-287%
Cash at end	**519**	**259**	**403**	**372**	**411**	**550**	**761**	**579**	**709**	**100%**	**26%**
Capex	233	276	193	202	130	234	186	191	255	-16%	79%
Ops Cash-Flow (EBITDA – Capex)	568	513	602	576	680	532	561	529	470	11%	-17%
Ops Cash-Flow margin	32%	29%	34%	34%	39%	31%	34%	32%	29%	2.4pp	-7.7pp

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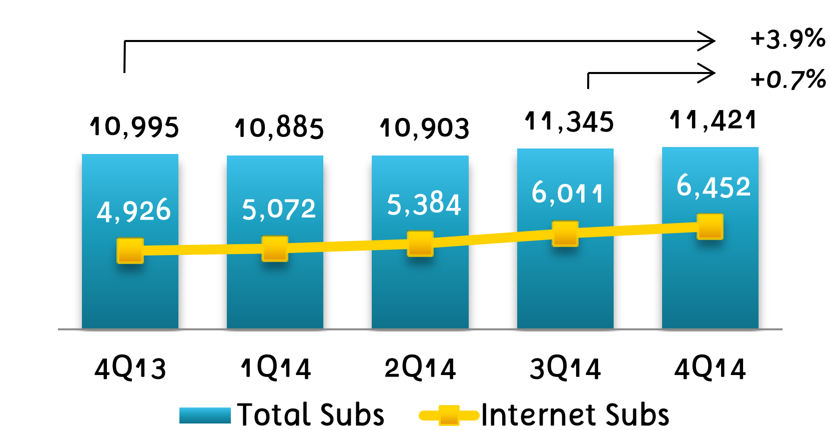
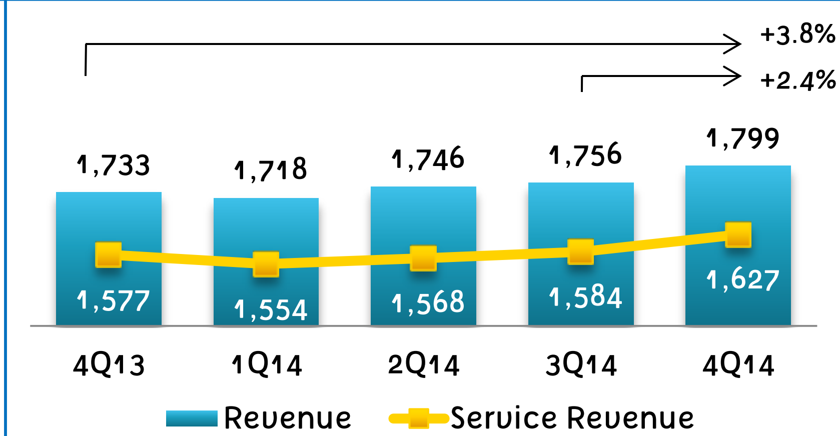
4Q 2014
Performance summary

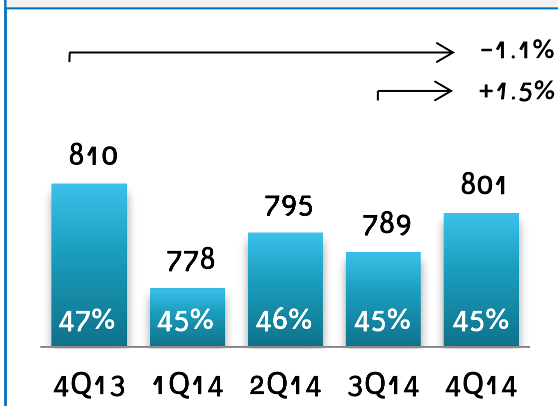
56.5% active internet subscribers [1] '000



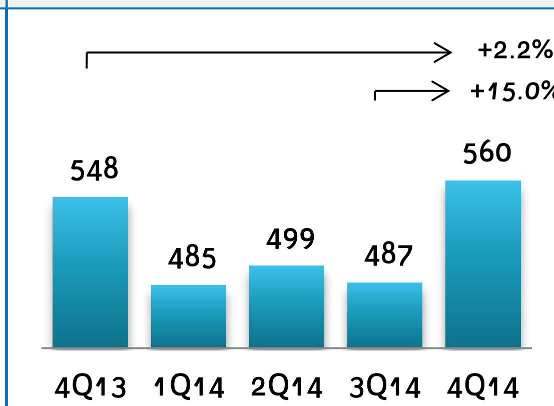
Revenue development RM mln



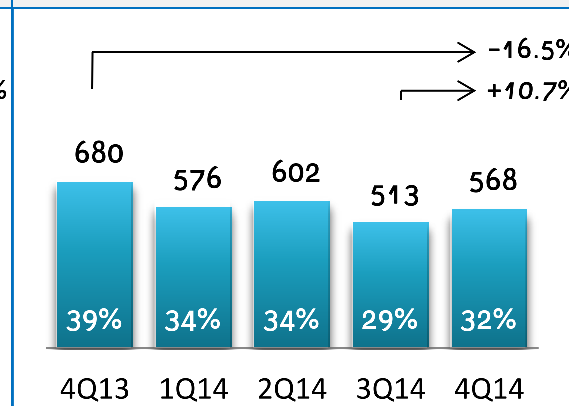
45% EBITDA margin



31% PAT margin



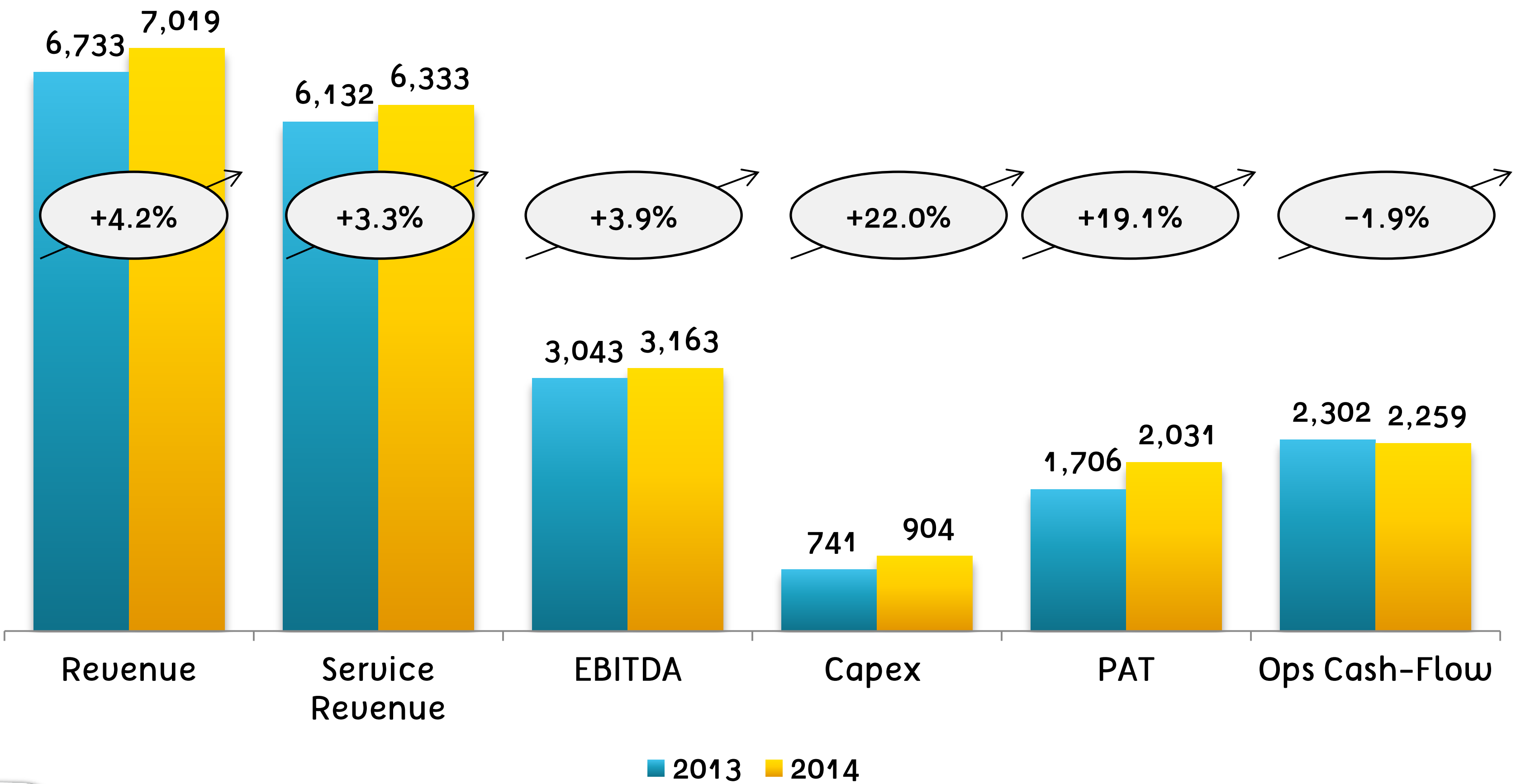
32% Ops Cash-Flow margin



[1] Subscribers with at least 150kb for the last 3 months

4Q 2014

Full year financial performance



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- East Coast region recently experienced the worst floods in history
  - A mix of widespread power outages, flooding in access roads, and damage to network equipment
  - Affected > 200 sites in Kelantan, Terengganu, and Pahang
- Worked hard to restore Digi's network in the fastest time possible
  - Deployed portable base stations and distributed power banks
- Offered relief essentials such as rice, milk powder, instant beverages/food, blankets, diapers, etc
- Partnered with STAEDTLER Malaysia to provide stationeries for the school children

Digi – LET'S INSPIRE brand identity

LET'S
INSPIRE

We believe that everyone should have access to inspiring mobile internet content -fun, entertaining, uplifting- wherever, whenever.

Our role at Digi is to help spread this inspiration, infecting the world with fun and excitement, one person at a time.

WE ARE IMAGINATIVE

We always find new ways to challenge convention, re-imagine the category, innovate our services and inspire both our customers and employees. Make them say “WOW!”.

WE BUZZ WITH FUN AND ENERGY

We exude energy and optimism. We are an antidote to all the seriousness in the world. Our sense of fun is infectious.

WE LOVE TO KEEP THINGS SIMPLE

We pride ourselves in our simple approach – anything to make life easier for our customers and business partners.

WE ARE THE CONSUMER'S CHAMPION

As a champion of the consumer, we give back where we can, doing our best to provide great value and make life just a little bit better – easier, more fun, more value.