

## NEWS RELEASE For immediate publication

## DiGi posts strong results for Q4 and 2006

Innovations drive after-tax profit to RM806 million

**SHAH ALAM, 14 February 2007**: DiGi.Com Berhad ("DiGi") recorded an after-tax profit of RM806 million for the financial year ended 31 December 2006, up 71% from the previous year.

Revenue grew 27% to RM3.65 billion, mainly driven by innovative mobile offerings.

Morten Lundal, DiGi's Chief Executive Officer, said: "We did well in 2006 as more and more customers are finding our innovations both fresh and relevant. New and simple ideas like one-low-flat rate anywhere and anytime are now changing communication habits. People are now more likely to call their loved ones and friends from anywhere to anywhere without worrying about timing and costs."

Lundal said: "Businesses are also starting to embrace the concept of mobility and the cost-efficiency of our simple business plan to enhance their own operational efficiencies."

DiGi was supportive of the government's call for prepaid registration and had a successful process that led to termination of only 500,000 SIM subscribers. Despite this, DiGi's customer base stood at 5.3 million, including 230,000 new customers added to the base (before termination) in Q4.

Operating margin (earnings before interest, tax, depreciation and amortisation margin) strengthened to 46% for the year as a result of improved revenues and focused cost management initiatives. The margin was also exceptionally high at 49% in Q4 due to good revenue growth and one-off regulatory fees adjustment.

Earnings per share for 2006 rose to 107.4 sen against 62.8 sen previous year.

During 2006, the group paid an interim dividend of 53.5 sen per ordinary share, less 28% income tax. It has again recommended a 75% net final dividend payout of RM315 million at 57.5 sen per share, less 27% income tax.

Comparing Q4 2006 and Q3 2006, revenue increased by 5% and pre-tax profit jumped 15% to RM294 million due to higher usage during the festive season, high take-up rates on non-voice services and one-off regulatory fees adjustment of RM19 million.

Looking ahead, Lundal said: "We are upbeat about 2007. It is filled with opportunities for innovation and new solutions for our customers. Competition will as always be intense, but DiGi has a proven track record for thriving well under such circumstances."

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## **About DiGi**

DiGi is Malaysia's fastest growing mobile operator, driven by innovation, simplicity and best value through DiGi Prepaid, DiGi Postpaid and DiGi Business.

Issued by:

Corporate Communications Department DiGi Telecommunications Sdn Bhd Lot 10, Jalan Delima 1/1 Subang Hi-Tech Industrial Park 40000 Shah Alam, Selangor Darul Ehsan

For enquiries, please contact:

Investor Relations – Audrey Ho at 016 2256651 or email <a href="mailto:heathers@digi.com.my">mailto:heathers@digi.com.my</a> Media – Robert Ho at 016 3310705 or email <a href="mailto:ycho@digi.com.my">ycho@digi.com.my</a>