



NEWS RELEASE

For immediate publication

**DiGi sees positive momentum in uptake of mobile internet services**

*Larger base of smartphone users on modernised network accounting for growth in data revenues*

**Shah Alam, 23 October 2012:** DiGi.com Berhad (DiGi) continues to see positive momentum in the uptake of mobile internet services from a larger mix of smartphone users on its network, which now accounts for close to 25% of its total customer base, the Company said when announcing its third quarter financial results today.

For the quarter under review, mobile internet customers, which also comprise customers who use feature-phones, increased to 5.6 million from 5.4 million. Data revenue currently accounts for close to 31% of its total service revenue in the first nine months of the current financial year, and the Company will continue driving focus on delivering a quality experience of its data network to ensure sustained revenue growth in this area, its chief executive officer Henrik Clausen said.

“We had committed to invest between RM700 and RM750 million this year as part of our network modernisation programme to cater to the increased demand from data users. We are currently at the halfway point of rolling out our modernised *Tomorrow Network*. Our ambition is to provide access to high-speed internet and next-generation services for all our customers, and in the first nine months of 2012 we have pushed harder than ever to make data accessible and affordable to everyone on a mobile device, and meet our customers’ demand for high quality mobile internet experience,” Clausen added.

For the quarter under review, DiGi recorded 3.4% growth in data revenue to RM460 million compared to RM445 million in the second quarter this year. Data revenue for the first nine months of the year also increased to RM1,353 million, a growth of 15.6% from RM1,170 million recorded in the same period last year.

DiGi’s revenue grew to RM1,583 million while its earnings before interest, tax, depreciation and amortisation (EBITDA) and EBITDA margin stood at RM715 million and 45.2% respectively. Profit after tax (PAT) was RM315 million while operating cash flow remained strong at RM565 million as of 30 September 2012.

Voice revenues were marginally lower compared to the previous quarter at RM1,010 million, from RM1,025 million in the second quarter, largely attributed to post-swap optimisation challenges with the new network. Effective mitigation measures have been put in place, with improvements seen in the later part of the quarter.

“Over the past three months we have prioritised our resources on driving continuous quality improvements in our new network and expanding our 3G coverage. This will remain a core focus as we continue to upgrade our network. In addition, we have also invested significantly in strengthening our retail presence to enable better access to mobile internet for more customers, and enhance the customer experience across our touch-points. All this will enable us to capture a bigger piece of the mobile internet and broadband market in the long-term,” Clausen said.

DiGi announced that it will pay a third interim tax exempt dividend of 4.0 sen per ordinary share and a one-off special tax-exempt dividend of 8.0 sen for the financial year ended 31 December 2012. The special dividend will be paid from proceeds of the two previously announced capital management initiatives and with this payment, DiGi will have completed the entire cash payout of this capital management initiative.

About DiGi

DiGi provides mobile voice and internet services. It is committed to driving Malaysia's growth by building a mobile internet environment that enables true connectivity, creates socio-economic development, and helps businesses grow. DiGi continues to be a game-changer for the Malaysian telecommunications industry, with a solid history of product and service innovation, and is a leader in driving progressive and responsible business practices. Listed on Bursa Malaysia, it is part of global telecommunications provider Telenor Group. For more information about DiGi, please visit [www.digi.com.my](http://www.digi.com.my).

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