

NEWS RELEASE

For immediate publication

Mobile internet fuels DiGi's continued growth in Q1-2014

- Solid year-on-year growth on revenue, EBITDA and PAT
- Higher consumption of mobile internet from the introduction of relevant and affordable internet services, and improved network performance

SHAH ALAM, 25 April 2014 – DiGi.Com Berhad (DiGi) recorded solid growth in the first quarter of 2014, driven by a strong boost in usage of mobile internet services. Internet customers* grew to 4.0 million from 3.0 million a year ago, while internet revenue contributed 24% to the Group's overall service revenues, an increase of 41.1% to RM374 million compared to the same quarter last year.

Henrik Clausen, Chief Executive Officer of DiGi explained that the healthy growth in internet revenue was fueled by higher usage and a bigger customer base in the internet segment. "Our focus in making access to internet services easy and relevant has encouraged stronger adoption among our 10.9 million customers, and an overall increase in new internet customers within our base. The introduction of our *Best For Internet* campaign offering flexible and bite-sized plans, comprehensive service bundles, and unlimited access to selected digital services, gave different customer segments customised options that better address their needs.

"Our stronger, more stable network, and expanded network coverage has also allowed us to bring high quality internet connectivity to more Malaysians, in more areas across the country. Our persistent focus on delivering quality experience for customers has resulted in significant improvements to our network performance. Our customers now enjoy more consistent data speeds with enhanced voice stability on our network, and this has helped stimulate usage of mobile internet among our base," said Clausen.

During the quarter, DiGi expanded its 3G HSPA+ footprint to 82% of the population, increased its LTE sites in Klang Valley, Johor Bahru and Kota Kinabalu, and grew its fibre network to more than 4,100km. The Company has committed to invest up to RM900 million in capital expenditure this year to strengthen its network position to deliver on its promise of best internet experience to more customers in Malaysia.

"In the coming months we will continue to introduce game-changing innovations that will allow our customers to enrich their internet experience on our brand new network. We will do this while driving deeper quality and focus on customer experience, and bringing internet services to more Malaysians," Clausen added.

For the quarter under review, DiGi's revenue grew by 4.3% to RM1.7 billion. Earnings before interest, tax, depreciation and amortization (EBITDA) stood at RM778 million, at a margin of 45%, while profit after tax (PAT) increased to RM485 million mainly due to stronger service revenue and improved cost structure.

DiGi announced that it will pay a first interim tax exempt dividend of 6.2 sen per ordinary share equivalent to RM482 million or 99.4% payout ratio to shareholders on 6 June 2014.

^{*} Internet subscribers refined to exclude unique subscribers with usage below 50Kb per month



About DiGi

DiGi provides mobile voice, internet, and digital services to 10.9 million customers in Malaysia. Through its mission of delivering 'Internet For All', DiGi is committed to driving Malaysia's growth by building a mobile internet environment that enables true connectivity for all Malaysians, 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.

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