



## MAXIS AND U MOBILE ENTER INTO MALAYSIA'S FIRST ACTIVE 3G RADIO ACCESS NETWORK SHARING AGREEMENT

- Multi-billion ringgit benefits to be realized for both parties
- Greater efficiency in delivering services
- Reduce environmental impact, foster sustainability

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Maxis Broadband Sdn Bhd (Maxis) and U Mobile Sdn Bhd (U Mobile) today entered into a landmark multi-billion ringgit agreement to share Maxis' 3G radio access networks (RAN), making the partnership the first active 3G RAN sharing arrangement to be deployed in Malaysia. The agreement will be for an initial period of 10 years.

The agreement also encompasses LTE sharing when the spectrum becomes available and the technology is rolled out which will deliver even better benefits to customers.

This collaboration marks a milestone in the telecommunications industry in Malaysia as it shares the active telecommunication systems and operating frequency spectrum and goes beyond the existing physical (passive) infrastructure sharing which has been practiced for long time between operators in the industry.

As a result of the collaboration, Maxis will receive a significant new source of revenue and will enhance utilization of its network in areas that are currently underutilized.

At the signing ceremony, Chief Executive Officer of Maxis, Sandip Das, said: "As an industry leader in the country, this collaboration is significant for Maxis as it reflects our commitment to promote non-duplication of infrastructure. Active sharing results in greater cost savings which in turn translates to increased direct revenue for both companies. More importantly it allows us to focus on providing innovative services and giving more value to customers, while having the benefit of doing all these in a more environmentally friendly manner. As a strong advocate of network-sharing, this will add to our existing carbon footprint reduction initiatives. To date, over 54% of our base stations sites are shared with other operators. This partnership will also





accelerate broadband penetration in the country, paving the way towards achieving Digital Malaysia aspirations."

This newly signed agreement is equally beneficial to U Mobile as it enables the company to accelerate the speed of its 3G network rollout by 4 to 5 times and at the same time achieve significant cost-savings through network sharing with Maxis. The shared locations will exclude urban market centers, such as Klang Valley, Penang, Johor Bahru and Ipoh, where U Mobile is committed to continue providing high speed mobile broadband services.

At the signing ceremony, Dr. Kaizad commented, "U Mobile is delighted to bring another first-of-its-kind innovation in the Malaysian market through this Active RAN Sharing partnership with Maxis. While active RAN sharing has been successfully done by some of the most innovative operators in the world, we are delighted to be the pioneer in Malaysia, and possibly the region. This will certainly set a new benchmark in the industry."

Dr. Kaizad further added that "This mutually beneficial partnership with Maxis will accelerate the expansion of our current 3G footprint to more than 4,000 3G sites in Malaysia by early-2013. Furthermore, the extensive savings generated from this agreement will enable U Mobile to bring even more product and service innovation for our customers while at the same time assisting the government initiative of "Broadband for All".

The RAN partnership also responds to the Government's call for telcos to reduce duplication of network assets, enabling operators to deliver better services. In addition, this pact promotes increased competition at the service level rather than at the infrastructure level.

Mobile operators around the world are looking for cost efficiencies across the industry. In a mature market such as Malaysia, RAN sharing can considerably reduce CAPEX and OPEX, increase the speed of network rollouts, enhance coverage and more importantly to meet the rapidly increasing demands for data and voice capacity.

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## **About Maxis Berhad**

Maxis Berhad with its consolidated subsidiaries (together, 'Maxis') is the leading integrated communications service provider in Malaysia with highest subscriptions of 12.8 million as of 30 June 2011. Since 1995, Maxis' Malaysian business has been providing a full suite of communication services on multiple platforms to satisfy the needs of individual consumers, small and medium enterprises, and large corporations in Malaysia.

Maxis has pioneered and led the Malaysian market in providing innovative mobile products and services. It was the first to launch 3G services, Maxis3G, in March 2005. In September 2006 it was among the world's first to use HSDPA, a high-speed upgrade of the 3G network. In December 2009 it was first to introduce to Malaysia, HSPA+, the latest advancement in 3G/HSPA network capabilities, to further enhance its wireless broadband services.

Maxis is a leading regional content player with 42.7% of non-voice revenue as part of mobile revenue and with 7.7 million active mobile internet users. It continually explores global and local best partnerships with partners such as Western Union and PayPal to bring the latest relevant content first to customers. Maxis actively builds a local content ecosystem with partners to forward the Malaysian content industry.

It was also the first telecommunication service provider to bring the BlackBerry™ and Apple iPhone™ smart phones to Malaysia. The company in April 2009 unveiled the first-in-the world commercial near field communication service, which enables customers to use their phones for wave and pay transactions.

Maxis' growth and strong track record of enabling innovation, excellent customer experience and value to stakeholders have won the company numerous awards over the years which include Asia's Best Employer Award 2010 from Singapore's Employer Branding Institute. Maxis was nominated as Best Mobile Operator in 2010's World Communication Awards for leadership in service innovation.

Maxis' vision is to bring advanced communications services to enrich its customers' lives and businesses, in a manner that is simple and personalised, by efficiently and creatively harnessing leading edge technology, and delivering a brand of service experience that is reliable and enchanting.

Maxis has also been active in carrying out Corporate Responsibility programmes to serve the communities. Since 2002 Maxis has been dedicated to working in unison with the Ministry of Information Communications and Culture Malaysia ('KPKK') and the Malaysian Communications and Multimedia Commission ('SKMM') on the Bridging Communities corporate responsibility programme to increase Malaysian access to the digital platform.

For more information, please visit: maxis.com.my





## About U Mobile

Launched on 18 September 2007, U Mobile Sdn Bhd is a 3G mobile service operator, providing voice and data services with more than 1,000 mobile base – stations installed covering Klang Valley, Seremban, Ipoh, Penang and Johor Bahru. U Mobile entered the market with the objective to provide relevant mobile services to targeted customers in both the consumer and enterprise segments. The majority shareholder of U Mobile is U Telemedia Sdn Bhd.

In March 2010, Singapore Technologies Telemedia (ST Telemedia), a leading information-communications company with operations globally concluded the deal with U Television Sdn Bhd (UTV), the major shareholder of U Mobile Sdn Bhd (U Mobile) at that time for the acquisition of a 33% stake in U Mobile. Its partnership with ST Telemedia indirectly allows U Mobile to tap into their expertise, fully utilizing its 3G experience which will present an edge in a market that is growing increasingly competitive.

U Mobile was the first telecommunication company to deploy the fastest internet connection in Malaysia following the call of the Ministry of Information, Communications and Culture of Malaysia to support the Government's national agenda of providing constantly-improving broadband access to the diverse communities of Malaysia, when it launched the 42 mbps Broadband network utilizing its Dual-Cell HSPA+ (High-Speed Packet Access) connections in October 2010.

In the beginning of 2011, U Mobile underwent a "Simply Different" brand refresh exercise with an aim to make a difference in today's telecommunication industry by offering fast, flexible, affordable and more focused communication plans to consumers and enterprise customers. For more information, please visit u.com.my..

## For media enquiries please contact:

Norlaili Mohamad Corporate Affairs Maxis Berhad

Tel: +603 2330 6138 HP: +6017 3000 630 Fax: +603 2330 0008

Email: norlaili@maxis.com.my

Sherlyn Soh Corporate Affairs Corporate Communications Tel: +603 2117 9888

HP: +6018 2008 988 Fax: +603 2141 3511

Email: sherlyn.soh@u.com.my

Yogeswari Thangavelu Corporate Affairs Maxis Berhad

Tel: +603 2330 7370 HP: +6017 2000 919 Fax: +603 2330 0008

Email: tyoges@maxis.com.my