



## **MAXIS AND REDTONE ENTER INTO INFRASTRUCTURE SHARING AGREEMENT TO PROVIDE 4G SERVICES IN MALAYSIA**

- Delivery of superior 4G LTE services on shared infrastructure in Malaysia
- The combined spectrum will allow Maxis and REDtone to offer the fastest 4G broadband speeds available in Malaysia and the region, up to 150Mbps
- 4G LTE services targeted to be launched by Maxis and REDtone early next year in selected areas of the Klang Valley

### **MEDIA RELEASE**

**For immediate release**

**Kuala Lumpur, 13 July 2012**

Maxis Berhad (“Maxis”), Malaysia's leading integrated communications service provider and REDtone International Bhd, a data and broadband service provider, (“REDtone”) have entered into an infrastructure and spectrum sharing agreement today that will enable both players to fast track their roll out of ultra-high speed 4G networks throughout the country. This will mean customers will have the opportunity to access the highest 4G broadband speeds in the country - up to 150 Mbps, with the latest 4G LTE technology through the combined spectrum.

Both Maxis and REDtone are looking to launch their 4G LTE services early next year in selected areas of the Klang Valley, with other regions to follow closely thereafter.

The infrastructure sharing partnership between Maxis and REDtone responds to the Government’s call for telcos to reduce duplication of network assets, enabling operators to deliver better services. This collaboration will also accelerate broadband penetration in the country, paving the way towards

achieving the nation's National Broadband Initiative aspirations besides enhancing digital lifestyles and the content industry. Infrastructure sharing also helps to reduce capex outflow from the country and maximises usage of spectrum, a scarce and valuable resource.

Maxis Chief Executive Officer, Sandip Das said, "We have been at the forefront of promoting networks to be shared as we have recently commissioned active network sharing on 3G with U Mobile. Data networks are onerous and have to be built carefully. The demand for data is not disputed, but the inflection point is some time away. Sharing will get REDtone up and running quickly and also fetch adequate returns on our investments, besides conserving spends at a national industry level. We are looking to set a new benchmark in data service quality as this will help us design a more effective infrastructure."

This newly signed agreement will provide benefits to both Maxis and REDtone customers as it enables twice the broadband speeds of other 4G services whilst at the same time achieving significant cost-savings through network sharing.

"The network sharing and alliance agreement with Maxis is a significant development for REDtone as we build on our broadband business. It will help to address REDtone's rollout obligation to cover 50% of the country's population," said REDtone Managing Director Dato' Wei Chuan Beng.

"For REDtone to comply with the 50% rollout requirement, our capex would have been RM390 million as is stated in our detailed business plan (DBP). However, this has been mostly replaced by riding on Maxis' existing infrastructure and leasing the necessary capacity from Maxis," added Dato' Wei.

REDtone is expected to launch its mobile broadband services and products riding on the shared network in 2013. This will provide an additional source of revenue to the group.

As the biggest network investor in the country, Maxis has invested RM3.7 billion in capex in the past three years resulting in 95% 2G and 81% high speed 3G coverage of the population. Maxis now has 3,400 of its 5,200 3G sites enabled with 42Mbps capability, and has also built the capability for efficient LTE rollout.

“Our signing with U Mobile in October last year was the first of its kind in Malaysia covering active RAN sharing, and are working towards the full launch of more than 1,300 shared sites in the coming months. This partnership with REDtone will deliver even more benefits to Maxis and the industry,” concluded Sandip.

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### **About Maxis Berhad**

Maxis Berhad is Malaysia’s leading integrated communications service provider with RM8.8 billion revenue in 2011 and over 14 million subscribers. As one of Malaysia’s most admired home-grown brands, Maxis has evolved from being a premier mobile operator to one that offers an extensive suite of services to enrich its customers' lives whether at home, at work or on-the-go: mobile and fixed voice, messaging, mobile internet, wireless and wired high speed broadband, and multi-screen content and applications - be it entertainment, education, security or cloud computing - through mobile, fixed and satellite networks. Maxis was the first to commercialize 3G mobile services in Malaysia and has the largest mobile network footprint with 95% 2G and 81% high-speed 3G coverage across the country.

Maxis’ efforts in innovation, excellent customer service and providing value to stakeholders have earned the Company numerous awards including Top 5 Best Global Operator Award by World Communication Awards in 2010 and Best Managed Company, Asia’s Best Employer as well as Putra Brand of the Year Awards in 2011. Committed to contributing to the communities it operates in, Maxis’ Corporate Responsibility efforts focus on making a ‘Positive Impact’, harnessing leading-edge technology to create value for the economy, society and the environment. For more information, please visit: [maxis.com.my](http://maxis.com.my).

### **About REDtone International Bhd**

ACE Market-listed REDtone International Bhd was founded in 1996 and started out as a discounted call service provider, a service which it pioneered. Following a business transformation in 2009, the company has diversified and its core business now includes the provision of data and broadband solutions to the corporate/SME/government segment and management and building of WiFi networks.

REDtone also operates in Shanghai, China under REDtone Asia Inc which is listed on the US OTC Bulletin Board. Its China business is discounted call services and pre-paid shopping cards.

REDtone is a Multimedia Super Corridor (MSC) status company with over 300 employees. The company is known for its in-house R & D capabilities and its home-grown technological innovations have won many awards in Malaysia and abroad. It currently has eight patents pending for its technological breakthroughs. More about REDtone available at [www.redtone.com](http://www.redtone.com)

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