



NEWS RELEASE

For immediate publication

### **DiGi modernises network to support data business**

Significant investment to immediately enhance capacity to drive improved service experience

**Shah Alam, 29<sup>th</sup> April, 2011** – DiGi.Com Berhad will continue to prioritise network modernisation initiatives to accelerate coverage and deliver higher speed, capacity, reliability and quality of service, the company said when announcing its 2011 first quarter results today.

This will immediately result in major improvements of network quality and efficiency through significant increase in download speeds and better connectivity experience for customers. Further, this investment will ensure the successful delivery of LTE (“long-term evolution” services), the next-generation mobile technology capable of delivering download speeds of up to 172 Mbps when spectrum becomes available.

Henrik Clausen, Chief Executive Officer of DiGi said, “We have seen a steady increase in demand for mobile Internet over the past few quarters, and have put in place a strong network transformation programme to continue delivering increased network quality, efficiency and coverage, to adequately meet our customers’ demands in all parts of Malaysia. At present we have over 4.5 million internet users, and we foresee that demand for data services will continue to trend up going forward.”

Total revenue for the quarter was in excess of RM1.4 billion, marking an 11% year-on-year increase. Data continues to be a key revenue driver for DiGi, with first quarter data revenue growing 38% year-on-year to RM361.7 million, driven by the company’s strong focus on stimulating higher usage, as well as strong take-up of smart bundles and increased adoption of smart-phones in the market. Earnings before interest, tax, depreciation and amortisation (“EBITDA”) stood at RM657.2 million, with an enhanced margin of 45.9%, marking an improvement over the RM575.8 million and 44.6% respectively in the preceding year’s same quarter.

The company also continues to work on multiple operational efficiency initiatives, including the on-going execution of the initiatives agreed in the long-term network collaboration agreement with Celcom Axiata Berhad. The company also recently announced its shareholding in Konsortium Rangkaian Sdn Bhd, formed with 23 other parties to secure lower costs of IP transit and domestic bandwidth by the aggregation of shareholders’ capacity. In the longer-run, DiGi expects to benefit from lower bandwidth costs, which will translate into more attractive data service offerings for our customers.

On the outlook for the rest of the year, DiGi will continue to actively address the rising demand for quality data services in Malaysia, while actively pursuing measures to achieve optimum efficiency from network investments.

Clausen said, “Our expansion plans will be guided not just by prudent cost management, but also through industry-wide collaboration to raise the bar for the Malaysian ICT industry. A number of our initiatives in this regard are among the first in the world in terms of ambition levels and operational execution, and we believe our customers will soon enjoy an overall stronger mobile Internet experience.”

#### About DiGi

DiGi Telecommunications Sdn Bhd provides mobile voice, internet and broadband services. It is committed to driving Malaysia's growth by building a mobile internet and broadband 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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