



NEWS RELEASE

For immediate publication

'Internet for All' Powers DiGi's Growth in Q2 2011

Building a stronger foundation for data with good progress on network modernisation

Shah Alam, 20 July 2011 – DiGi.Com Berhad continues to keep its growth momentum strong by charting solid performance in data, while regaining momentum in voice revenue. This was driven by increased usage and a larger subscriber base of 9.3 million, the Company said when announcing its second quarter results today.

Henrik Clausen, Chief Executive Officer of DiGi explained, "Our focus on driving the *'Internet for All'* proposition has helped drive our strong data growth. Efforts to create appeal of social media through innovations like Opera Mini and Facebook Zero, our enhanced smartphone line-up, together with smart bundling efforts have stimulated up-take. Today we have over 5.3 million mobile broadband and mobile Internet customers.

"We are pleased to have also gained good traction on quality subscribers in targeted segments as a result of improved value propositions, increased touch-points and customer-centric activities. Consequently, we saw notably higher prepaid revenue from the substantial increase in prepaid customers."

DiGi also reiterated its commitment to prioritize network modernisation, network collaboration and cost focus initiatives as long-term building blocks needed to sustain growth and deliver strongly on its mobile internet and mobile broadband proposition.

"Our investments are focused on building a data-enabled network that is capable of accelerating coverage, capacity, quality and efficiency of our services. We are making good progress in two key initiatives in this area, namely the infrastructure sharing initiative with Celcom and our network modernisation exercise. We will soon begin physical network swapping and aim to have a LTE-ready network by end-2012, enabling our customers to quickly benefit from LTE services once spectrum becomes available," said Clausen.

Meanwhile, DiGi continues to stay on course in cost efficiency with multiple initiatives underway. Clausen added, "We are on-track to achieve the estimated savings targeted from the network and are now in the midst of exploring additional initiatives to further increase these savings. We strongly believe that growth comes hand-in-hand with being prudent on managing our costs, and ensuring that everything we spend is aimed at driving value for our customers and our people."

For the quarter under review, DiGi recorded total revenue of RM1.5 billion compared to RM1.3 billion in the corresponding quarter last year mainly arising from the 113% surge in mobile internet and mobile broadband revenues. Current quarter's earnings before interest, tax, depreciation and amortisation ("EBITDA") and EBITDA margin improved significantly from RM578.4 million and 43.4% to RM671.9

million and 45.8% respectively. This is largely attributed to the strong revenue momentum combined with increased cost efficiency initiatives.

About DiGi

DiGi 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

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