



NEWS RELEASE

For immediate publication

### **DiGi maintains strong growth momentum in Q2 2012**

*Progress on business transformation programme paving the way for future growth of data business*

**Shah Alam, 23 July 2012:** DiGi.Com Berhad maintained its healthy revenue growth momentum into the second quarter of 2012, while recording solid traction on its business transformation programme that will enable the company to deliver on its *Internet For All* mission.

The Company recorded revenues of RM1.580 billion in period under review, mainly driven by growth in data revenues which now makes up more than 30% of its total service revenue, the Company said when announcing its financial results today.

Henrik Clausen, Chief Executive Officer of DiGi explained that the Company continues to drive deeper focus on its business transformation programme to pave the way for the future growth of its data business. "We commenced our nation-wide network modernisation exercise at the end of 2011, and are making solid progress in building our *Tomorrow Network* that will better enable us to deliver high-speed internet and next-generation services to more Malaysians through better quality and larger coverage. To-date, we have swapped close to 2,000 sites, representing approximately 36% of our total network footprint, and have put in place plans to accelerate the swap rate in the second half of the year."

During the quarter, DiGi increased its capital expenditure in tandem with the growing momentum of the transformation programme, which also includes the modernisation of the company's information systems and information technology (IS/IT) infrastructure, and distribution channels.

"With 5.4 million mobile internet customers today, data is a significant growth area for DiGi and we are putting the necessary building blocks in place to ensure we continue to be a leading data provider. Apart from modernizing our network, we have also refreshed our retail presence with the introduction of the new DiGi Store Express concept and an online store. We believe these efforts will significantly enhance the customer experience across touch points, and enable better access to mobile internet for more customers," Clausen added.

### **Stronger Q2 performance**

For the quarter under review, DiGi's earnings before interest, tax, depreciation and amortisation (EBITDA) and EBITDA margin improved to RM752 million and 47.6% respectively, mainly due to prudent cost management. Profit after tax (PAT) increased to RM324 million while operating cash flow remained strong at RM575 million as of 30 June 2012.

Clausen said, "Our growth during the quarter was driven by smarter bundled offerings and targeted on-ground execution to deliver better value to our customers. We are pleased to have improved our operating performance in the quarter despite tougher competition."

DiGi announced that it will pay a second interim tax exempt dividend of 5.9 sen per ordinary share, equivalent to a pay-out ratio of 141%, for the financial year ended 31 December 2012 on 7<sup>th</sup> September 2012.

About DiGi

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