



NEWS RELEASE

For immediate publication

Digi builds on strong data momentum to drive future growth

- *Year-on-year revenue grew 4.2% to RM1.79 billion in Q1 2015*
- *Deep focus on building strength of network and delivering brand promise to accelerate internet access to the masses*

SHAH ALAM, 27 April 2015 – Digi.Com Berhad (Digi) continues to bring internet into the hands of more Malaysians in support of its ambition to enable *Internet For All*, with smartphone ownership on its network growing to 53.2% in the first quarter this year. Traffic volumes also significantly strengthened during the quarter driven by increased usage from existing internet subscribers as well as new internet users.

The strong data momentum seen in 2014 continued to pick up in 2015, with data revenue rising by 17.7% from a year ago. Digi's data revenue now account for 42.3% of the Group's overall service revenue, up 5.6pp from the same period last year.

Digi's Chief Executive Officer Albern Murty explained, "We have made strong inroads in bringing quality internet services to more Malaysians nationwide fueled by significant improvements in our network performance and coverage, the proliferation of a wider range of affordable smartphones bundles including choices under RM200, and innovative digital service offerings.

"These efforts have helped drive continuous growth in internet adoption, and encouraged ownership of more than one device which is connected to the internet."

Digi recorded strong subscriber growth during the quarter strengthening its customer base by 270,000 to 11.7 million. Postpaid subscription also significantly bolstered at a record three-year high in the quarter. The increased number of internet subscribers, which grew rapidly by 30.6% to more than 6.6 million customers at the end of the first quarter, will pave the way for future service revenue.

During the quarter, Digi's revenue grew by 4.2% to RM1.79 billion (Q1 2014: RM1.72 billion). However, earnings before interest, tax, depreciation and amortisation (EBITDA) and EBITDA margins leveled to RM775 million and 43% respectively (Q1 2014: RM778 million and 45%) due to seasonally higher device sales and impact from lower margins. PAT normalized to RM479 million during the first quarter (Q1 2014: RM485 million) in the absence of prior years' tax benefits.

Murty reiterated Digi's commitment to invest the same level it did in capital expenditure (Capex) in 2014 (RM904 million) to continue driving internet growth. He added, "We will continue to focus on delivering the best internet experience to more Malaysians by making access to the internet easy, seamless and enjoyable on our high-speed network, and with competitive smart device bundles and plans, and innovative digital service offerings. This combined with our deep customer-focused approach, and distinctive brand propositions will enable us to deliver our promise to customers, and drive continuous growth."

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Digi has grown its 3G population coverage to 87% while steadily expanding its 4G LTE footprint to 33% population coverage at the end of the quarter.

The Company announced that it will pay a first interim tax exempt dividend of 6.1 sen per ordinary share equivalent to RM474 million or 99% payout ratio to shareholders on 5 June 2015.

About Digi

Digi provides mobile voice, internet, and digital services to 11.7 million customers in Malaysia. It is known as a game-changer for the Malaysian telecommunications industry with a solid history of product and service innovation. Over the years Digi has built a solid mobile internet business that enables true connectivity for all Malaysians, creates socio-economic development, helps businesses to grow through use of technology, and in doing help accelerate Malaysia's growth. Digi continues to inspire Malaysians by giving customers' access to fun and uplifting internet content, and empowering them to share what means most to them. Listed on Bursa Malaysia, it is part of global telecommunications provider Telenor Group and is a leader in driving progressive and responsible business practices. Digi was recognised as one of Forbes' 100 World's Most Innovative Companies in 2014. For more information about Digi, visit www.digi.com.my.

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With this release

1. Profile picture of Albern Murty, Digi's CEO



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