



Digi Postpaid™

All you need is  
this one plan.

**Digi.Com**

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**ANALYSTS BRIEFING**

**21 FEB 2017**

# WELCOME TO DIGI



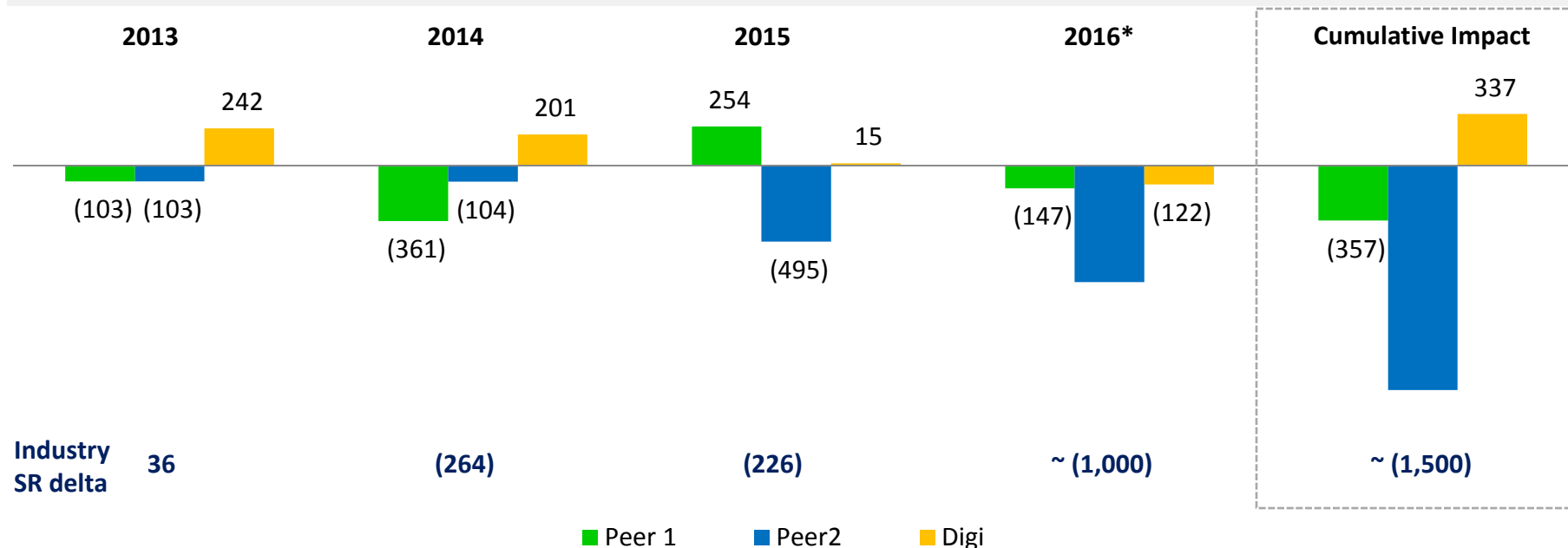
Time	Details
09:10am	Welcome and intro
09:20am	Sukuk Briefing
09:30am	Q&A
10:30am	End



**FREE**  
**ROAMING**  
**IN 8 COUNTRIES**

# Steepest industry service revenue decline in FY16 but Digi continued to outperform over the last 4 years

Mobile Service Revenue Y-o-Y Movement (RM million)



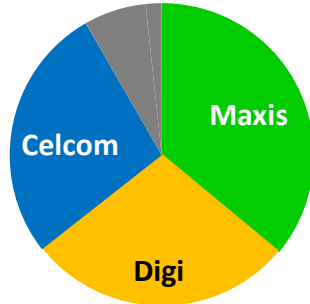
\* Financials for Digi and Peer 1 updated to 4Q 2016; Peer 2 2016 is based on internal projections

FY 2016

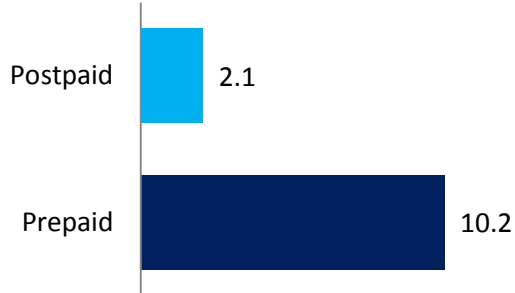
## Strengthened position to #2 in service revenue and #1 subscribers market share

### #2 Mobile Player in Malaysia

Industry SRMS (%)  
As of Q4 2016



### Serving 12.3 million subscribers



+10.2%  
**POSTPAID**  
REVENUE

RM6.23b  
**SERVICE**  
REVENUE

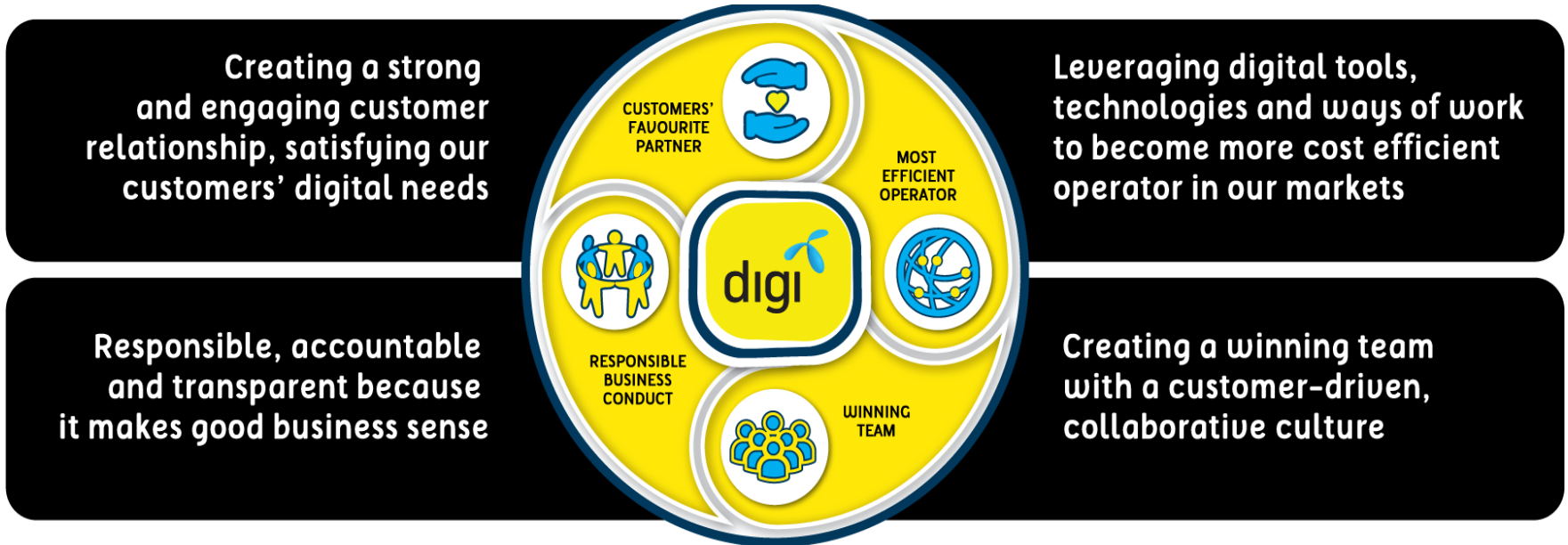
**EBITDA**  
margin  
+1.7pp to 45%

**Industry-**  
leading 4G+  
network  
4G+: 41%  
4G LTE: 85%

**Healthy**  
dividends  
20.9sen per share  
or > 4% dividend  
yield

Solid progress  
on digitisation  
of  
core business

# Digi's ambition towards becoming Customers' Favourite Partner in Digital Life



FY 2017

## Key priorities and focus for Digi in 2017

1



*Defend core telco revenue streams*

**Prepaid**

**Consumer  
Postpaid**

**Enterprise  
Postpaid**

3



*Drive digitization of the core business*

**B2C – Digitising End Customer Journey**

**B2B2C – Digitising while Expanding  
Channels**

2



*Become most cost efficient operator*

- Step up on operational efficiency
- Efficient use of strategic spectrum
- Competitive network position and strengthen IT operating model
- Leverage on Telenor global scale on sourcing, infrastructure collaborations, talent etc

4



*Build new digital revenue streams*



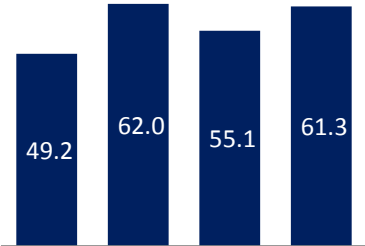
# **SUKUK BRIEFING**

## Establishment of IMTN and ICP programs which have a combined limit of up to RM5.0 billion

<b>SUKUK PROGRAMME</b>	<u><b>ISLAMIC MEDIUM TERM NOTES</b></u> of up to RM5.0 billion ("IMTN programme") and <u><b>ISLAMIC COMMERCIAL PAPERS</b></u> of up to RM1.0 billion ("ICP programme"), which have a combined limit of up to RM5.0 billion
<b>TENURE</b>	IMTN Programme: <ul style="list-style-type: none"> <li>• Fifteen (15) years from the date of the first issuance of IMTN</li> </ul> ICP Programme: <ul style="list-style-type: none"> <li>• Seven (7) years from the date of the first issuance of ICP</li> </ul>
<b>PURPOSE</b>	<ul style="list-style-type: none"> <li>• Financing the working capital requirements, other general funding requirements and other general corporate purposes               <ul style="list-style-type: none"> <li>• For investment in data and digital growth opportunities, network related investments to deliver the best 4G+ and Internet network, and digitisation of core business</li> <li>• For future investment in strategic assets and future spectrum obligation as well as other working capital needs</li> </ul> </li> </ul>
<b>RATING</b>	<ul style="list-style-type: none"> <li>• RAM Ratings has assigned               <ul style="list-style-type: none"> <li>• <b>AAA/Stable</b> rating for the IMTN programme</li> <li>• <b>P1</b> rating for the ICP programme</li> </ul> </li> </ul>



## Establishment of IMTN and ICP programs which have a combined limit of up to RM5.0 billion (cont'd)

RATIONALE	<p><b>Efficient Cost of Funding</b> Access to potentially more cost efficient funding given the strong profile of the Company</p>	<p><b>Diversification of Funding Sources</b> Complement the existing committed facilities</p>	<p><b>Growing Islamic Financial Market</b> Tap into the growing demand for Islamic investment product in Malaysia</p>										
	<p><b>Minimize Negative Carry</b> Flexibility to issue ICP/IMTN over time and therefore, minimize negative carry costs for the Company</p>	<p><b>Maximize Flexibility</b> Flexibility to tap both short-term and long-term funding to match Digi's cashflow requirements</p>	<p><b>Sukuk Issuance (RM billion)</b></p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Sukuk Issuance (RM billion)</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>49.2</td> </tr> <tr> <td>2014</td> <td>62.0</td> </tr> <tr> <td>2015</td> <td>55.1</td> </tr> <tr> <td>2016</td> <td>61.3</td> </tr> </tbody> </table>	Year	Sukuk Issuance (RM billion)	2013	49.2	2014	62.0	2015	55.1	2016	61.3
Year	Sukuk Issuance (RM billion)												
2013	49.2												
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	<p><b>Efficient and Effective Format</b></p> <ul style="list-style-type: none"> <li>• Quick access to funding with approval in place</li> <li>• Ability to rollover maturing Sukuk amounts</li> </ul>	<p><b>No Stamp Duty and Commitment Fee</b></p> <ul style="list-style-type: none"> <li>• Stamp duty exempt</li> <li>• No commitment fee on the unutilised Sukuk amounts</li> </ul>											

## Establishment of IMTN and ICP programs which have a combined limit of up to RM5.0 billion (cont'd)

**FY2016**  
0.6x  
Net debt to EBITDA



### *Our commitment to shareholders*

**In next 3 years**  
Below 2.0x  
Net debt to EBITDA

Sustainable  
shareholders  
returns

Maintain Digi's  
dividend policy



## Exclusive Prepaid deals. Exclusively on MyDigi.

More Internet, more new year entertainment,  
get yours today!



# ***THANK YOU***

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