



## PRESS RELEASE

For immediate publication

### Digi maintains resilient performance in Q1 2016

- *Sustains EBITDA margin at 43% with stronger sequential PAT up 4.5% to RM399 million*
- *Continues to invest in delivering quality network experience and innovative digital services to be customers' favourite partner in digital life*

**SHAH ALAM, 22 April 2016** – Digi.com Berhad (Digi) recorded resilient financial performance in Q1 2016 having made stronger inroads into Malaysia's postpaid market fuelled by the company's new, innovative 360<sup>o</sup> internet offerings experienced on its stable and reliable widest 4G LTE network.

For the quarter under review, service revenue maintained at RM1,560 million against challenging and competitive market conditions. Earnings before interest, tax, depreciation and amortisation (EBITDA) strengthened to RM704 million (Q4 2015: RM701 million) or a 43% margin despite aggressive IDD competition and moderated data monetisation opportunities. PAT surged 4.5% to RM399 million during the quarter (Q4 2015: RM382 million).

Digi's Chief Executive Officer Albern Murty attributed the performance to customers' growing confidence in the company's widest 4G LTE network and ability to deliver more value, access and relevant internet content to meet its customers' needs. He said, "Our focus on network quality has enabled more customers to better enjoy our new innovative 360<sup>o</sup> internet offerings. We now have a stronger proposition for customers who would have never considered Digi's services in the past given our solid history of providing competitive prepaid services, an area where we continue to remain resilient."

Digi closed the quarter with 12.3 million customers, supported by a steady increase of active internet customers to 7.9 million or 64.2% of its total base. The company's 4G LTE customers grew to 2.9 million, reflecting its customers' steady experience of quality, high-speed internet services in more areas nationwide. Malaysia's widest 4G LTE network now reaches 73% of the population, with 33% of Malaysians also enjoying Digi's 4G LTE-Advanced (4G LTE-A) services.

"We have matched efforts on our best for internet network by introducing a comprehensive postpaid portfolio layered with a diversified range of digital services our customers are increasingly consuming. Understanding our customers' internet appetite, we built in new innovative features to better serve our customers, such as extra internet quota and internet rollover for them to enjoy affordable, worry-free data access and use the internet in the way they really want to."

In Q1 2016, Digi's postpaid service revenue registered a growth of 6.9% year-on-year and 3.1% quarter-on-quarter while its postpaid subscriber base strengthened 8.2% year-on-year to 1.9 million subscribers. Postpaid internet subscribers increased to 1.5 million, representing 80.3% of the company's postpaid subscriber base and contributed to sequentially higher postpaid internet revenue of RM207 million (Q4 2015: RM197 million). Despite challenged by the industry's aggressive internet quotas and low entry postpaid plans, Digi's postpaid ARPU remained solid at RM80 over a larger subscriber base.

"Moving forward, we will continue meeting the needs of our customers' digital lifestyles, leveraging on our solid network as the vehicle to bring relevant, personalised and engaging digital products and services to our customers, while keeping a keen eye on service quality and customer excellence." He said that strengthening and enabling profitability from the company's core business, and unlocking new digital opportunities will drive greater smartphone adoption, incremental data consumption for every wallet size, stimulate digital traction and fuel service revenue in the year ahead.

Digi remains highly committed to delivering healthy shareholder returns, and has declared a first interim dividend of 5.1 sen per ordinary share equivalent to RM397 million or almost 100% dividend payout for the quarter, payable to shareholders on 24 June 2016.

**About Digi**

Digi provides mobile voice, internet, and digital services to 12.3 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, and helps businesses to grow through use of technology. Digi continues to inspire 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](http://www.digi.com.my).

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