

DiGi Records 37% Higher Revenue for 1st Quarter 2003

Growth trend driven by strong mobile customer appeal

Kuala Lumpur, May 6 2003 - DiGi.Com Berhad ("DiGi") today announced an impressive revenue growth of 37% for the first quarter ended 31 March, 2003, as compared with the corresponding quarter last year. Total revenue stood higher at RM394.5 million from RM287.8 million achieved in the previous corresponding quarter, driven strongly by DiGi's mobile segment which has been charting a steady increase of subscriber additions.

These results were, however, impacted by the higher depreciation and amortisation expense of RM103.9 million as compared with RM42.3 million in the previous corresponding quarter. Higher depreciation rates were used with effect from 1 July, 2002. As a result, the Group's profit after taxation of RM29.9 million was 17.6% lower than the RM36.3 million recorded in the corresponding quarter last year.

"We are pleased with our strong revenue performance for the first quarter of 2003, which showed a 7% increase from RM369.7 million in the preceding quarter (the fourth quarter of 2002), while the Group's profit before taxation increased to RM43.6 million, up 27% from RM34.2 million. Our net profit after tax increased by 30% to RM29.9 million, compared against the RM22.9 million achieved in the preceding quarter," said DiGi's Chief Operating Officer, Mr Tore Johnsen.

"It is more significant to compare our current quarter performance against the preceding quarter as the same increased depreciation rates have been used in the preceding quarter. Also, our earnings before interest, taxation, depreciation and amortisation ("EBITDA") have continued its upward trend, increasing to RM164.4 million for the current quarter as compared with the RM158.7 million recorded in the preceding quarter," he added.

DiGi's continued revenue and subscriber growth is largely due to greater customer recognition of its commitment to ensuring end-user satisfaction, particularly in terms of network quality, capacity and coverage. In this, DiGi's sense of innovation goes beyond the roll-out of cutting-edge products and services, to ensuring superior network quality that promotes consistent and reliable service. A recent example of its practical customer focus is the provision of domestic roaming services to enable its postpaid customers to enjoy enhanced coverage and quality.

"Central to our strong customer appeal is DiGi's on-going network enhancement investment, reflected in initiatives such as our DiNAMICS Network Management System, which enables a real-time, end-to-end view of the entire network infrastructure throughout the country. This state-of-the-art system allows the proactive monitoring of network glitches, and enables an immediate response with an effective solution to avoid customer inconvenience," Mr. Johnsen explained.

DiGi has become synonymous with pioneering and delivering innovative mobile products and services to the Malaysian marketplace. Initiatives such as its Content Provider Access (CPA) concept marked a major industry milestone in spearheading the development of a vibrant local mobile content market. Setting the pace for the industry as the first service provider to offer international roaming on the prepaid platform, DiGi notched yet another industry first recently with its introduction of effective features for its DiGi Prepaid Plus service, which include automatic credit balance information, call waiting, call divert and multi-party conferencing. In addition, DiGi's new Intelligent Network (IN) platform will soon allow customers to experience advanced applications combining voice, data and Internet services.

Commenting further, Mr Johnsen said, "We are encouraged by the continued upward growth trend in our mobile segment, given the increasing challenges within a very competitive market

environment. We will continue to focus on increasing our revenue and subscriber growth by building on our reputation as a service provider that delivers a high-quality network experience in tandem with innovative and convenient applications."

About DiGi

DiGi, with its core philosophy of *It's About You*, is a telco that listens to its customers and tailors its services to suit their lifestyles - services that are meaningful and relevant, enhancing the way they live, work and play. DiGi is the first telco to launch the prepaid concept for mobile services in Malaysia and till today, DiGi Prepaid Plus remains the market leader. DiGi is also the first telco in Malaysia to launch a cost-saving postpaid mobile service to suit the different usage and lifestyle patterns of the customers of today in line with full deregulation.

With its focus on providing customer-delight, DiGi offers the most comprehensive and innovative range of products and services to take its customers beyond mere satisfaction. This is reflected in its many industry-leading offerings, all of which are delivered with an exceptional standard of service that best exemplifies DiGi's professionalism and commitment.