

DiGi Registers 33% Revenue Growth in First Half of Financial Year 2003

Mobile segment continues to drive impressive EBITDA growth

Kuala Lumpur, July 22, 2003 - DiGi.Com Berhad ("DiGi") today announced higher revenue of RM793.0 million for the first half year ended 30 June 2003, an impressive growth of 33% as compared with the previous corresponding period. The stronger operational performance this half year was evident in the 47% increase to RM319.0 million in earnings before interest, tax, depreciation and amortisation ("EBITDA"), with EBITDA margins improving to 40% from the 36% previously recorded. The consistent revenue growth was strongly driven by DiGi's steadily expanding mobile customer base.

The financial results were, however, impacted by the higher depreciation and amortisation expense of RM209.2 million as compared with RM85.9 million in the previous corresponding half year. Higher depreciation rates were used with effect from 1 July, 2002. As a result, the Group's profit after taxation of RM53.0 million was 26% lower than the RM72.1 million recorded in the previous corresponding period, while earnings per share was 7.1 sen as compared with 9.6 sen previously.

Similarly, revenue for the 2nd quarter ended 30 Jun 2003 grew by 29% to RM398.5 million as compared with the previous corresponding quarter, while EBITDA margins improved to 39% from 35% previously. However, the Group's profit after taxation for the 2nd quarter of 2003 fell 36% to RM23.1 million resulting from a 142% increase in depreciation and amortisation expense of RM105.3 million.

Commenting on the Group's performance, DiGi's Chief Operating Officer, Tore Johnsen said, "Clearly, we have been seeing consistent and satisfactory revenue growth, and this is directly attributable to the fact that our growing customer base has come to recognise and appreciate DiGi's strong commitment to providing Malaysians with a high-quality mobile communication experience."

"One example of this end-user focus is our recent firm commitment to enhance our current GSM/GPRS mobile network to next-generation wireless technology using Enhanced Data Rates for GSM Evolution (EDGE). With the introduction of EDGE, DiGi has leapt ahead of the industry to put in place the technology that will triple the rate of data transfer, thereby enabling the delivery of higher quality voice calls, more capacity and broader bandwidth over our current 2.5G network. In time to come, our customers will be among the first to experience 3G type services, allowing them greater mobility, speed, convenience and clarity in staying connected and having access to information," he added.

"More importantly, the encouraging take-up rate of our value-added mobile communications products and services, in pace with our enhanced network quality, capacity and coverage has shown us that our customer-focused approach has been the key factor in our sustained revenue growth," commented Mr Johnsen further. "As such, we will not compromise on delivering consistent customer satisfaction, which has clearly been our competitive advantage in facing the greater challenges ahead within a consolidated market. We are clearly committed to providing our customers with an enhanced mobile communications experience that will meet their evolving needs in practical and convenient ways."

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.