



**PRESS RELEASE  
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**CELCOM AWARDED BEST MARKET PERFORMANCE AWARD**

*Records 15 Quarters of consecutive growth and maintains its market leadership in broadband*

*Double-digit growth in all key areas:*

*Revenue 13%, EBITDA 11%, PATAMI 17.2%, subscribers 16%*

**Kuala Lumpur, 1 March 2010** – Celcom Axiata Berhad [formerly known as Celcom (Malaysia) Berhad] today announced its achievement of a complete turnaround, recording an **unprecedented fifteen consecutive quarters of positive growth** in the final quarter of 2009. Celcom was awarded “The Best in Market Performance” by the Axiata Group.

Celcom also maintains its position in the industry as the leading Mobile Broadband provider with **511,000** subscribers, and an overall broadband growth of **124% YoY**, which now contributes close to 6% of Celcom's revenue as compared to only 2% last year. The year saw Celcom growing more than double the industry average at **6% in QoQ** growth and **13%** in annual revenue growth, reaching its highest ever amount of **RM6.3 billion**.

With a **subscribers** base increase of **16%** reaching 10.0 million subscribers, the performance for Q4 is seen as a testament of Celcom's excellent execution of segmented marketing strategy, a fully restructured sales and distribution network, continuous improvement in network quality and customer service, strong discipline in Performance Management culture as well as its continued focus on improving mobile broadband.

Amidst a competitive environment, profitability continues to improve with Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) **growing 11%** to **RM2.8 billion**, compared to RM2.5 billion in the preceding year. Celcom's EBITDA margin, excluding additional Universal Service Provision (USP) and ESOS charges, improved by 0.1 percentage point and Profit After Tax (PAT) was RM1.5 billion, an increase of 19% from RM1.3 billion registered in 2008. Consequently, Celcom recorded encouraging double-digit growth in pre-tax profit of 17%, to close at RM2.0 billion in 2009.

Careful execution and discipline delivered network cost savings. Looking at network costs as percentage of revenue, we can see a decrease from 11.7% in 2008 to 10.3% in 2009. In addition to that, the year also saw strong growth in non-voice services, with data now contributing above 30% to revenue, from 22% a year ago.

Commenting on Celcom's 2009 fourth quarter results, Dato' Sri Shazalli Ramly, Chief Executive Officer of Celcom Axiata Berhad said, “with the accomplishment of closing 2009 with our 15 consecutive quarters of growth, Celcom plans to sustain our current momentum thus far, to continue growing exceeding industry average in all key areas of our business.”

Shazalli also pays tribute to all Celcom employees whom he described as a group of talented individuals who persevere and believe in the turnaround mission of the company. “Without these individuals and their commitments, I don't think we will ever witness this outstanding achievement and the will to continue to improve into the near future. I believe Celcom now

has the best management team in the country supported by a very talented pool of employees across all divisions. With all these in place, I am very thankful and feel blessed and will continue to guide the company to greater heights", he added.

### **Moving forward**

2009 has reaffirmed Celcom's commitment in maintaining its technology leadership and position. Continuing its momentum for the next quarter with ongoing investments in network coverage, capacity and performance, Celcom begins 2010 with an enthusiastic outlook to accelerate its mobile broadband initiatives as well as continue to enhance data and Value-Added services (VAS).

The enterprise segment holds huge potential amidst the economic slowdown and though Celcom has improved its dominance in this space, it intends to drive the business deeper. Besides that, Celcom is also looking into enhancing customer experience, by rolling out Celcom Blue Cube over the next two years, progressively replacing all existing retail touch points and where viable, move into new subscriber-centric geographies.

"The year 2010 marks the start of our transformation period towards being a Company with high performing culture. In the coming quarters of 2010, we will be focusing on various areas and benchmark ourselves against the industry locally and internationally. With that being said, we will continue to strengthen our segment-oriented strategies while being focused on driving a culture that always looks at placing our customers first," Dato' Sri Shazalli Ramly concluded.

### **Awards and Achievements**

Celcom was recently awarded as The Best Market Performance 2009 under the Axiata Group and also was given a special award for Best New Line of Business 2009 for its Mobile Broadband achievement.

Celcom was appointed as the **Universal Service Provider (USP)** by SKMM for the provision of **Community Broadband Centre (CBC)**, successfully securing the biggest project involving USP for 2009. Being the prominent choice with our high-speed and wide coverage offering, Celcom has thus far won more than RM133 million throughout the year from CBC projects in various states of Malaysia. **Community Broadband Centre (CBC)** is a 5-year project initiated by SKMM and is fully funded by the Commission via the Universal Service Provision (USP) fund.

Among other accolades received by Celcom in 2009 includes the title of **Malaysia's No.1 Telco Brand** ranked **4<sup>th</sup> Most Valuable Brand** at the Malaysia's 30 Most Valuable Brands (MMVB) Award 2009, as well as the much coveted **Mobile Service Provider of the Year** and **Service Provider of the Year** titles, at the Frost & Sullivan's 2009 Malaysian Telecom Awards.

Celcom was also voted as one of the **Top Ten Most Preferred Brands Awards** amongst the SMEs by key industry players and was awarded **The BrandLaureate Masters Awards** in the Mobile Telecommunications Category. Besides that, Celcom also bagged two top awards during the 10<sup>th</sup> PC.Com Awards Night, winning **The Best Mobile Broadband Service Award** and is named one of the **Top 10 Power Brands in the country**.

Celcom was acknowledged with the **Industry Excellence Award 2008/2009: Telecommunications Sector** at the 4<sup>th</sup> Edition of Malaysia 1000 Directory Launch, and won the **Silver** and **Bronze Medals** for **Best Contact Centre in Asia Pacific under 50 Agents** at the Contact Centre World APAC Region Conference 2009 in Singapore.

For his success in leading, building and evolving Celcom, Dato' Sri Shazalli Ramly was individually honoured with the **Malaysia Business Leadership Award 2009: Telecommunications**

**Sector** at Kuala Lumpur Malay Chamber of Commerce's Malaysia Business Leadership Awards 2009 (MBLA), and was presented with **The Brand Building Hall of Fame Award** by 4As (Association of Accredited Advertising Agent Malaysia) and The Edge, in conjunction with the Malaysia's Most Valuable Brands (MMVB) Awards 2009.

In addition to that, the **Voice Independent Music Awards (VIMA) 2010** has also inducted Dato' Sri Shazalli Ramly into its **Hall of Fame** for his ongoing support and undying passion for music and for his enthusiasm in championing local talents.

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