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## **CELCOM CONTINUES MOMENTUM BY STABILISING FURTHER RECORDS STRONG Q3**

- *Increase in service revenue to RM1.524 billion (1.9%), total revenue at RM1.655 billion (2.1%) quarter-on-quarter (QoQ)*
- *Data revenue grew over 25% year-on-year (YoY) to RM730 million*
- *Data consumption up by 16.1% to 7.2GB per month QoQ*
- *Prepaid revenue grew by 3.7% QoQ*
- *Normalised EBITDA improved by 9.3% with continued emphasis on cost optimisation*
- *Positive customer engagement; firm focus on customer experience – retail transactional net promoter score (tNPS) of 66 and strong growth in digital service transactions.*

**KUALA LUMPUR, 27 NOVEMBER 2017** – Celcom Axiata Berhad continued to build momentum and grew its quarter-on-quarter (QoQ) service revenue and total revenue to RM1.524 billion and RM1.655 billion – marking an increase of 1.9% and 2.1%, respectively.

The company also retained a strong overall data performance for Q3 with its data revenue growing over 25% year-on-year (YoY) to RM730 million, contributing 44% to the company's total revenue. Data consumption rose 16.1% QoQ to 7.2GB, per month per active data user, compared to 6.2GB previously. This was supported by a higher smartphone penetration of 72% from 69% in Q217.

Additionally, Celcom recorded a robust prepaid performance with a 3.7% increase in its revenue, driven by positive traction from data, leading to an improvement in prepaid average revenue per user (ARPU) of RM2 to RM33, for the quarter.

Normalised EBITDA (earnings before interest, tax, depreciation and amortisation) totalled RM688 million, a 9.3% increase QoQ from RM630 million, with a focus on cost optimisation. The company delivered a lower normalised PATAMI (profit after tax, amortisation and minority interests) at RM309 million from RM331 million in Q217.

Michael Kuehner, Chief Executive Officer of Celcom Axiata Berhad said Celcom demonstrated further signs of stabilisation following concentrated measures undertaken by the company, in an intensely competitive environment.

"I am encouraged by our overall operational turnaround that has been a work-in-progress since last year," he noted.

Michael said Celcom had in Q3, made substantial improvements in customer experience.

"We have been persistent in our focus to improve our customers' digital experience, as part of our commitment to deliver an awesome customer experience. One such initiative was to digitise customer service - to serve our customers better, end-to-end.

We introduced real-time internal platforms for customer feedback and social listening and through these, we witnessed positive growth in reach and engagement," he said.

Aside from this, he said Celcom intensified its efforts to provide improved customer experience in Sabah and Sarawak – with the introduction of new high-speed fibre internet connection services, namely the Celcom Home Fibre™ & Celcom Business Fibre™, to provide 10 times faster unlimited internet download speeds of up to 100Mbps.

Michael said Celcom's recent win of the Best Consumer Satisfaction award from the Malaysian Communication and Multimedia Commission (MCMC), also evidenced the company's commitment to excellence in customer experience.

Correspondingly contributing to performance in the quarter were initiatives undertaken by Celcom to provide the best video experience, the introduction of simple and transparent products, the continuous upgrade for network quality, and improvements in its distribution and sales channels.

"In all operational areas, we have ensured cost optimisation measures to drive positive outcomes and improve our profitability," he said.

Several initiatives carried out for the quarter under review:

- *Celcom Pioneers With The First-Ever Smartphone Instalment Plan For Prepaid Through Easyphone™* – offers the widest range of smartphones through a 24-month instalment plan from as low as RM74 per month.
- *Celcom Accelerates Further in Social Media with New Experience Hub* – Celcom improves customer experience with a cross-functional centre, the first of its kind in Asia combining marketing, sales and service activities for social media channels.
- *ParentsUnite for Online Safety and KidSafe* – online safety awareness campaign and parental control mobile app for the safety of children.
- *First ever e-gifting with OleOle* – Celcom's e-gifting service for consumers to purchase and send digital gifts from a large variety of popular brands, any time and from anywhere.
- *Celcom First™ Brings You Your Perfect Match* – postpaid plan for more Internet with up to 100GB of Internet and FREE 100GB Video Walla.
- *Celcom Game Hero Awards A Brand New Car To Grand Prize Winner!* – Celcom awards Ahmad Fazli Ahmad Rusli the grand prize from the share of RM1million in cash prizes during the final showdown of the biggest mobile tournament in Malaysia, 'Celcom Game Hero – Se7en Gear.'
- *Celcom And Grab Collaborate To Enable Digital Lifestyle For Mobile Customers* – Celcom partners with Grab to provide customers special benefits.
- *The Major League Championed By Celcom Pits Renowned Dota 2 Teams In An Epic Battle* – Celcom encourages e-sports for gaming enthusiasts.

- *Celcom Axiata Supports National Champions Through To 2020 Olympics – Celcom steps in as the main sponsor of the Badminton Association of Malaysia (BAM) to take Malaysia's badminton national champions to the 2020 Olympics.*
- *Celcom Powers up Sabah With 10x Faster High-Speed Fibre Internet at Affordable Prices – launches high-speed fibre internet connection services; Celcom Home Fibre™ & Celcom Business Fibre™ to provide 10 times faster unlimited internet download speeds of up to 100Mbps.*
- *Xpax Fuels All Digital Lifestyles With The Right Plans – new prepaid plan that offers up to 15GB of no-split internet quota together with FREE Music Walla and Video Walla.*

## **Moving Forward**

“Our focus is still on providing an awesome customer experience. We are on target to regain market share. I am optimistic about our operational efficiency in the next quarter following the progress of our current initiatives. We will certainly continue to increase productivity in focus areas such as people, innovation, technology and processes, through our strategic initiatives,” he concluded.

For more info, visit:

[http://axiata.listedcompany.com/misc/Axiata\\_Presentation\\_3Q17.pdf](http://axiata.listedcompany.com/misc/Axiata_Presentation_3Q17.pdf)

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