



**NEWS RELEASE**

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## **TM REVISES 2018 KEY HEADLINE KPIs – EMBARKS ON ENHANCED PERFORMANCE IMPROVEMENT PROGRAMME (PIP 2018) AND INTRODUCES NEW BROADBAND PLANS**

### **Key Highlights:**

- **Revised 2018 Headline Key Performance Indicators (KPIs)**
  - Revenue growth of -1.0% to flat
  - EBIT at approximately RM1.0 billion
  - Customer Satisfaction Measure of 72
- **Performance Improvement Programme 2018 (PIP 2018)**
  - Revenue uplift
  - Sustained profitability
  - Improved cash flow
  - Increased productivity
- **Introduce new Broadband plans**
  - An affordable entry level unifi @ 30Mbps for targeted B40 segment
  - unifi 'turbo' plans offering more than double the speed
  - Special package upgrade for pre-unifi (formerly known as Streamyx) customers in unifi areas nationwide
  - Re-launch of 'unlimited' unifi Mobile postpaid plan

Telekom Malaysia Berhad (TM) today announced the revision of its Headline Key Performance Indicators amidst evolving market dynamics and a challenging operational environment. The Group also announced the implementation of its Performance Improvement Programme 2018 (PIP 2018) – a continuation of its transformation journey, now in its 4<sup>th</sup> wave. TM also introduced new Broadband plans in its ongoing efforts to provide affordable broadband services to the nation, and in support of national aspirations.

Datuk Bazlan Osman, Acting Group Chief Executive Officer, TM commented on the announcement: “We are currently facing numerous challenges to the business namely intensifying competition; increasing business and operating costs; cautious enterprise spending as well as increasing regulatory pressures. Given these headwinds, we are revising our Headline KPIs for 2018 – to an expected revenue growth of negative 1.0% to flat in 2018, Group Operating Profit (Earnings Before Interest and Tax (EBIT)) at approximately RM1.0 billion and Customer Satisfaction Measure of 72.”

At the same time, TM is also revising its capex guidance for this year between 20-22% of revenue, from the high 20s % guided earlier this year. This entails reprioritising its network spending and sweating of existing assets. With regard to expanding its coverage, TM will do so in the most efficient manner.

“In our ongoing transformation journey and to adapt to the changing landscape, TM has embarked on our 4<sup>th</sup> wave of Performance Improvement Programme 2018 (PIP 2018) which looks at 4 main pillars of Revenue Uplift, Sustained Profitability, Improved Cash Flow and Increased Productivity. We believe the strategic initiatives laid will assist TM in navigating through the current challenges and position us in a more resilient and competitive stead. The implementation of the PIP 2018 initiatives will provide us the runway to accelerate our current plans of convergence and digital,” he elaborated.

TM announced the introduction of its new Broadband and mobile plans to boost its market leadership position and deliver on the national broadband aspiration with respect to price, speed and coverage. The new plans are as detailed below:

1. A new affordable entry level unifi package at 30Mbps for targeted B40 segment. Lower income groups can access high-speed broadband through this package at a price point below RM100 (more than 40% lower price from the existing 30Mbps package). Registration for pre-booking starts 15 July 2018 via unifi.com.my.
2. unifi ‘turbo’ plans offering more than double the current broadband speed. TM will gradually upgrade the speed for all its existing unifi customers at more than double the speed at no extra cost starting 15 August 2018, while new customers subscribing to existing unifi plans before 31 December 2018 will also be upgraded accordingly in 2019.
3. Special package upgrade for pre-unifi (formerly known as Streamyx) customers in unifi areas nationwide. Eligibility status check will be available via unifi.com.my from 15 July 2018.

*Note: All above are subject to technical availability in customers’ areas and terms & conditions.*

4. A re-launch of its ‘unlimited’ unifi Mobile postpaid plan, which gives customers unlimited data, calls and messaging. This serves as a convergence offering exclusive to existing broadband customers and will be available at all unifi outlets and unifi.com.my from 15 July 2018.

“As Malaysia’s Convergence Champion, we believe that internet access is a critical enabler to grow our digital and creative economy towards making life and business easier for all. Today, we serve nearly 2 million broadband homes, more than 8 million individuals and connect more than 10 million devices nationwide. We hear what Malaysians want – faster internet connection at affordable prices, which has been our aspiration since the launch of unifi in 2010. In October 2016, we announced our Broadband Improvement Plan (BIP), with speed increase upgrades of up to 100Mbps at the same price and completed the exercise in 2017 to benefit close to 1 million broadband customers nationwide, including 323,000 pre-unifi customers. Currently, we have started contacting our pre-unifi customers in unifi areas for an upgrade to unifi plans. For others not in unifi areas, we will continuously invest in our network to provide at least our 30Mbps entry level unifi package through the latest fixed and wireless broadband technologies. Collectively, these new Broadband plans will catapult Malaysia beyond a majority of our regional peers into a competitive set of countries globally with high-speed broadband,” he added.

TM looks forward to continued resilience and sustainable growth following the implementation of the new strategic plans moving forward.

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## **About TM**

Telekom Malaysia Berhad (TM), Malaysia's Convergence Champion and No. 1 Converged Communications Services Provider offers a comprehensive suite of communication services and solutions in fixed (telephony and broadband), mobility, content, WiFi and smart services. As a market leader, TM is driven by stakeholder value creation in a highly competitive environment. The Group places emphasis on delivering an enhanced customer experience via continuous customer service quality improvements and innovations, whilst focusing on increased operational efficiency and productivity.

Leveraging on our extensive global connectivity, network infrastructure and collective expertise, TM is well positioned to propel Malaysia as a regional Internet hub and digital gateway for South-East Asia.

As a multiple award winning model corporate citizen committed to good governance and transparency, TM continues its pledge to ensure the integrity of our processes, people and reputation as well as the sustainability of our operations. Our Corporate Responsibility (CR) ethos reinforces responsible behavior in the four main domains of the marketplace, workplace, the community and the environment. With a focus on ICT, the Group further promotes 3 major platforms i.e. education, community/nation-building and environment, through our Reaching Out programmes.

TM will continue to leverage on the strategic investments made earlier in unifi Mobile and TM ONE to realise its Convergence and "Go Digital" aspirations as it moves beyond connectivity services into new value added digital services. The Company is embarking on a holistic approach covering customer experience, process optimisation and new business opportunities. This entails building a digitally aware and smarter workforce that acts as a catalyst to the digital transformation of TM, thus powering Malaysia's digital economy.

TM looks forward to serving customers with relevant convergence propositions via the 5 pillars of Smarter Living, Smarter Businesses, Smarter Cities, Smarter Communities and a Smarter Nation - delivering a seamless digital experience and integrated business solutions to cater to individual lifestyle and business communication needs - towards making "Life and Business Easier for a Better Malaysia".

For further information on TM, visit [www.tm.com.my](http://www.tm.com.my).

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