

Telekom Malaysia reports lower pre-tax profit in FY2013

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Telekom Malaysia Bhd recorded a lower pre-tax profit of RM1.046 billion for the financial year ended December 31, 2013 from RM1.069 billion registered in 2012.

The drop in profit was due to a net foreign exchange loss caused by the strengthening of the US dollar against the ringgit.

Revenue, however, rose 6.4% to RM10.629 billion, outstripping the mobile industry growth.

Telekom Malaysia recorded RM9.994 billion revenue in 2012.

"We are pleased to report that the continued achievements seen in 2013 have enabled us to record a good solid performance all around, achieving all of our three headline key performance indicators (KPIs) for the 4th consecutive year.

"As a trusted broadband provider, our customer base grew 7.2% from 2.07 million in 2012 to 2.2 million last year, with continued growth seen both in UniFi and Streamyx," said Group Chief Executive Officer, Tan Sri Zamzamzairani Mohd Isa, in a statement issued to Bursa Malaysia today.

He said the demand for UniFi remained strong.

Telekom Malaysia ended 2013 with close to 635,000 customers, a net addition of about 152,000 or an increase of 31.6% from FY2012, he said.

Zamzamzairani said UniFi continued to see healthy growth with more than 650,000 customers to date.

With 1.49 million premises passed on the back of 105 exchanges as at end December 2013, this translates to a take-up rate of 43%.

"We are also pleased to note that we are seeing more and more customers taking up our high speed broadband packages of 4Mbps and above for both Streamyx and UniFi.

"These high speed broadband customers make up 41% or close to 900,000 of our total broadband customers, which bodes well for our new HyppTV packages," he said.

Telekom Malaysia also sustained its capital and cost efficiencies, with capital expenditure (capex) and revenue ratio 17.5% against 25.5% in FY2012.

Cost as percentage of revenue also improved from 88.3% to 87.2%.

Total capex spent for FY2013 was RM1.86 billion, of which RM1.17 billion was for High Speed Broadband.

On the outlook, Telekom Malaysia said data and broadband would be its key driver for growth, adding that the company would also focus on the execution of the Performance Improvement Programme 3.0, with its three pillars of continued growth, greater efficiency and productivity as well as institution building.

For the fourth quarter ended December 31, 2013, its pre-tax profit slipped to RM309.681 million from RM346.219 million chalked up in 2012.

Telekom's revenue rose to RM2.979 billion from RM2.809 billion in 2012.

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