

Celcom to Invest In Quality To Fuel Growth Following Stellar Performance In Q4 2013
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KUALA LUMPUR, March 4 (Bernama) -- Celcom Axiata Bhd, the first and foremost mobile telecommunications provider in the country, continues to be at the forefront of Long Term Evolution (LTE) advancement, with a steadfast commitment to rapid LTE deployment and maintenance of an unparalleled network with unrelenting focus on areas beyond the Klang Valley.

Celcom's commitment to LTE advancement and improving network quality is demonstrated by its RM923 million investment for capital expenditure in 2013, the highest in the industry, mainly on network modernisation, LTE and information technology (IT) transformation.

This announcement was made at the fourth quarter 2013 financial results media briefing Tuesday by its Chief Executive Officer Datuk Seri Shazalli Ramly, Chief Financial Officer Christopher Tiffin and Deputy Chief Financial Officer Jennifer Chui Fen Wong.

Shazalli said in a statement that moving into 2014 and beyond, Celcom will remain focused on enterprise solutions, digital services and high value customers, simultaneously putting an emphasis on customer experience.

"We recently launched Celcom First Elite, the priority services plan that demonstrates a 360-degree approach to customer experience, offering our customers access to exclusive lifestyle experiences and top class customer service which make them feel special and valued," Shazalli said.

He said the appointment of Russian tennis star Maria Sharapova as the plan's brand ambassador is a testament to Celcom's commitment to giving its very best to its customers.

"By balancing revenue and costs with customer-centric investments, Celcom will sustain its growth on revenue and profitability moving forward," he said.

Celcom continued its success streak by achieving its 31st quarter of consecutive revenue growth at RM2.02 billion which led to the year-on-year (Y-o-Y) total revenue to RM8.0 billion, an increase of 3.7 per cent from RM7.7 billion achieved in 2012.

Celcom beat the industry in terms of number of subscribers when its customer base surpassed 13 million.

In line with this, Celcom defended its market dominance in mobile broadband closing the year with 1.2 million subscribers, and achieved a double-digit revenue growth of over 18 per cent Y-o-Y hitting RM1.1 billion in 2013 compared to RM927 million in 2012.

The year saw strong growth in data services (excluding SMS and VAS), now contributing 17 per cent to revenue, a growth of 16 per cent from 2012.

The surge was driven by increased smartphone penetration and positive response towards attractive offerings of data services.

Smartphone users rose 48 per cent Y-o-Y while mobile internet revenue grew 36 per cent.

Celcom's six million data users now make up 46 per cent of its total subscribers.

Celcom's fourth quarter PATAMI (profits after tax, amortisation and minority interests) increased by 17.2 per cent to RM665.8 million from RM567.8 million in the previous quarter which resulted in a record-breaking Y-o-Y PATAMI growth of seven per cent to RM2.4 billion, the highest in the industry due to effective cost management efforts under Celcom's Smart Spend initiatives.

Despite a slight drop of 1.8 per cent to RM881.8 million from RM897.5 million in Celcom's quarterly EBITDA (earnings before interest, tax, depreciation and amortisation), its Y-o-Y results grew three per cent to RM3.6 billion from RM3.4 billion.

Commenting on Celcom's impressive entry into 2014, Shazalli said: "We closed the year with remarkable milestones that came as a result of our transformation initiatives, specifically in our IT transformation and LTE advancements, and carved our way into every aspect of our strategic and operational plans.

"On the back of industry-leading results, Celcom will trudge on our on-going agenda of improving customer experience through network modernisation and operational improvements.

"We will continue to invest significantly in network upgrades and enhancements throughout Malaysia, with Sabah and Sarawak as one of our priorities with a focus on our rapid LTE network roll-out," Shazalli said.

Moving forward, Celcom's commitment to digital services is further underscored by its subsidiary ESCAPE Axiata Bhd and Celcom's three e-commerce portals Bachabooku, Buzzaar, and The Crescent.

These include a continued focus on digital services such as gaming, music, sports, social network applications, mobile commerce, mobile remittance, and mobile health services with a spotlight on mobile content.

Celcom is enhancing its 4G LTE performance and targets to have 1,200 active sites nationwide by mid-2014 in order to create the best network and user experience in the country.

Celcom's LTE roll-out is progressing as planned in major populated areas in the Klang Valley, Ipoh, Penang and Johor Baharu, and has extended its reach to Sabah, Sarawak and the Eastern region.

Celcom will continue to invest in new core technologies to support its expanding infrastructure.

"With all this in place, IT and network transformation investments are already in high gear to maintain Celcom's position as the best mobile network in Malaysia," Shazalli added.

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