|  |
| --- |
| http://www.greenpacket.com/images/logo.jpg |
|  |
|

|  |
| --- |
| **GREEN PACKET CONTINUES UPTREND WITH POSITIVE EBITDA OF RM4.3 MILLION in 2Q 2012 Posts 8% increase in group revenue to RM138 million**  |
| **Key Highlights:*** Group EBITDA increases to RM4.3 million, a 191% improvement Y-o-Y
* Group revenue for 2Q 2012 was RM138 million – an increase of 8% Y-o-Y
* P1 Pillar EBITDA contributes RM5.6 million, 69% surges in Q-o-Q, 129% Y-o-Y
* Revenue from P1 pillar improves 28% Y-o-Y maintaining strong ARPU of RM80
* Gains 9,000 broadband subscribers and reaches 410,000 broadband subscriber base
* Gains 20,000 voice subscribers and reaches 50,000 subscriber base

***Kuala Lumpur, 30th August 2012:*** Green Packet Berhad (the Group) continues to gain significant ground in its second quarter financial results ending June 30, 2012. The Group posts a higher revenue of RM138 million with a positive EBITDA of RM4.3 million, a 191% improvement year-on-year. Since December 2011, the Group has been showing a positive trend in terms of revenue and profitability. The Group’s P1 pillar contributes RM88 million to the Group’s revenue and registers a positive EBITDA of RM5.6 million for the second quarter 2012. This represents a 129% improvement y-o-y from the loss reported previously. The continuing improvement in its latest Q2 results shows that the company is successfully leveraging on its unique strategic position as a nationwide full-fledged fixed, nomadic broadband and fibre optics operator with 1,700 base stations throughout Malaysia. “We are pleased that Green Packet’s subsidiary, P1, has been transformed into a total-integrated broadband operator with fixed, wireless broadband and fibre optics. It has also gained 9,000 broadband subscribers this quarter and reached 410,000 subscriber base,” said Puan Chan Cheong, Group Chief Executive Officer and Group Managing Director of Green Packet Berhad.In addition, P1 has acquired 20,000 voice subscribers this quarter and currently has 50,000 voice subscribers. P1 is expected be on track of hitting its 500,000 total subscribers target by year-end.As for the Greenpacket Solutions pillar, it posts a flat growth rate with a revenue of RM21 million in the second quarter of 2012. This is expected due to the challenging WiMAX market conditions in the light of the latest LTE developments. However, Greenpacket Solutions continues to play a dominant role in developing markets, registering a 33% shipment growth in the second quarter of 2012. Its recent launch of the industry’s first dual mode LTE and WiMAX indoor modem demonstrates its technology leadership in transitioning to LTE. “Green Packet is committed to adding value for its stakeholders, investors and customers. I am proud of my team’s dedication in rolling out and delivering these milestone initiatives under the Group’s five-year transformation plan,” Puan added.The continuing improvement in the Group’s results have also drawn some interest from   a consortium led by investment firms Kendall Court and Leafgreen Capital which recently invested some US$ 51 million into the P1 pillar to fuel its expanding 4G network and customer acquisition activities in Malaysia.Puan said the Group has stayed focus and is on the right track to achieve its transformation plan. “We have effectively managed our expenses and successfully positioned ourselves to capitalise on a growing demand for better broadband services and products.”“With a growing base of recurring revenue, an operating network that's built and paid for, plus low debt structure, Green Packet has a sustainable business model and is well on the way to profitability,” Puan added.The management has also aligned the Group’s strategies to focus more on value creation initiatives, higher quality subscriber base and stringent cost management without compromising on the quality of services. **Future Outlook**Green Packet has undertaken various steps to ensure it continues to deliver strong value to its shareholders. In the immediate term, the Group via the Greenpacket Solutions pillar is focused on seizing opportunities in niche market such as the dual-mode WiMAX/LTE devices. It is also working on delivering networking solutions to cable operators in the U.S and converged operators in Europe and China. It has already captured Time Warner Cable, Telefonica and China Mobile as its customers. On a longer term outlook to provide the Group with new revenue streams, the division is heavily re-investing in technology and partnership within the LTE device ecosystem, wireless data offloading and carrier Wi-Fi experience management solutions. With its many international business endeavors, the Greenpacket Solutions pillar continues to be the leading provider of connection management solutions in Asia and the world’s third largest supplier of 4G/WiMAX devices.For its P1 pillar, Green Packet is gradually rolling out 4G/WiMAX broadband service in Kota Kinabalu, Sabah. “We are excited to bring in the 4G internet superhighway experience to East Malaysia and are targeting 80% of household coverage in urban Kota Kinabalu in the first phase. It is in line with our plan to build 360 more base stations and target about 2,100 base stations by year-end throughout the country,” Puan said.Puan continued, “Green Packet views network site-sharing as increasingly commonplace in the mobile industry, and we are taking steps in that direction. From the point of view of efficiency, it will be possible to significantly reduce the cost of site leases, one of the highest cost items in mobile networks. Secondly, the progressive reduction of the number of antennas will have a positive impact on the green environment.”The P1 pillar also focuses on Malaysian SME markets where demand for information and communications technology services is increasing to make them more competitive in a global environment."We have a strong brand name, a quality customer base, a dedicated team of people, and valuable broadband networks extending all the way to the customers' premises. Our capacity for innovation, cost discipline, and readiness for change are vital assets as we prepare to master these challenges in 2013, too. I am confident we have the right strategy and financial fundamentals in place to deliver our targets," said Puan. **Forward looking statements** This news release may contain forward looking statements by Green Packet Berhad that reflect management’s current expectation, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. These statements are subject to a number of risks and uncertainties that could cause actual results, performance or achievements to differ materially from those discussed in the forward looking statements. Such statements are not and should not be construed as a representation as to the future performance or achievements of Green Packet Berhad and Green Packet Berhad assumes no obligation to update any such statements. **INCOME STATEMENT**

|  |
| --- |
| **http://www.greenpacket.com/images/income_statement_300812.png** |

About Green Packet Berhad :Listed on the Main Board of the Malaysian Bourse, Green Packet Berhad (“The Group”) aims to be the visionary global leader providing best connectivity to enrich lives. It provides best-of-class technologies, devices and services to simplify and enhance connectivity and communications. The Group offers a wide array of 4G and LTE products and services through its two main business pillars: The Greenpacket Solutions pillarGreenpacket Solutions provides 4G WiMAX global services, discounted and wholesale voice services are via its Alternative Voice Services group.The P1 pillarPacket One Networks (Malaysia) Sdn Bhd serves as the 4G operator and service provider arm, comprising of other companies or subsidiaries. |

 |