

# TRUE GROUP REPORTS CONTINUED PROFITABILITY IN 3Q18



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BANGKOK, November 14, 2018 - True Corporation PLC (SET: TRUE) recorded Baht 385 million of net profit in the third quarter of 2018 bolstered by accelerating service revenues with double-digit YoY growth in both mobile and broadband internet businesses.

True Group's financial performance continued to improve in the third quarter of 2018 as service revenue reached record high of Baht 26.3 billion, a growth of 7.3% YoY or 10.3% YoY excluding contribution from the fixed-line phone concession, driven mainly by both cellular and broadband growth, while cost controls remained intact. Excluding impact from sales of assets to the Digital Telecommunications Infrastructure Fund (DIF), EBITDA grew 13.9% from the previous year to Baht 10.2 billion with margin increasing to 38.4% in 3Q18 compared to 36.5% in 3Q17. Consolidated net profit was Baht 385 million, significantly improving from a loss of Baht 691 million in the same period last year.

President (Co) Mr. Vichaow Rakphongphairoj said, "True Group continued to deliver core earnings improvement and profit in 3Q18. This solid performance was driven by accelerating service revenues thanks to our successful customer-driven strategy and tremendous efforts on enhancing network and service levels while cost and productivity measures continued to improve. TrueMove H was a strong Q3 performer as it continued its stellar growth momentum with double-digit service revenue growth YoY while revenue market share surged to 28.9%, the highest quarterly market share gain since 2Q17. At the same time, TrueOnline's expanded FTTH footprint and 1Gbps offerings continued to drive strong double-digit YoY growth of broadband revenue and subscribers. Given our strengths on network, convergence, versatile content and digital offerings as well as engaging privilege campaigns highlighting benefits of being True's loyal customers, we are confident to carry on the upward profitability trend."

President (Co) Dr. Kittinut Tikawan said, "This is clearly a positive quarter with record revenue and core profit growth, pinpointing a significant step forward for True Group's performance. Our mobile business is now fully competitive in the under-penetrated areas of Thailand where there is a plenty of room to attract additional subscribers thanks to our concentrated efforts to improve network density in these areas during the first half of the year. Meanwhile, the FTTH network upgrade and 1Gbps offerings have received excellent market response further strengthening TrueOnline's broadband leadership. The regionalized marketing campaigns with dedicated teams and packages that match demands of each target group have proven successful and this quarter is just the beginning of our progression. We believe the accelerating momentum should sustain in upcoming quarters as more and more consumers experience and recognize our exceptional services while added benefits such as TrueID and True Points from our privilege programs will push customer engagement higher."

TrueMove H once again outstripped the mobile industry in the third quarter of 2018 with service revenue growth of 10.1% YoY and 2.7% QoQ to Baht 18.9 billion contrasting with the YoY and QoQ drop for both of its major competitors. This was the 26th consecutive quarter in which TrueMove H's

revenue grew faster than the market, and as a result, TrueMove H's value market share jumped to 28.9% in 3Q18, the highest quarterly market share gain in 6 quarters. The major network upgrade and localized marketing campaigns particularly in Northeast as well as synergy among True Group and business partners contributed to TrueMove H's continued above-industry growth. It posted 678k net adds during the quarter and grew subscriber base to 28.8 million.

TrueOnline leads the broadband internet market with its nationwide FTTH networks and value-driven offerings particularly affordable 1Gbps packages combined with other products and privilege campaigns of True Group. In the third quarter of 2018, TrueOnline added 76k net broadband subscribers and expanded its broadband subscriber base to 3.4 million. This boosted its total broadband revenue up 12% YoY to Baht 6.5 billion. The business' further penetration into property and gaming segments has received promising positive responses inducing more cross- and up-selling potential.

TrueVisions' service revenue grew 15.7% YoY to Baht 3.5 billion in 3Q18 mainly fueled by the 2018 FIFA World Cup broadcasting via True Group's multiple platforms. The business continues to place importance on content selection and production to address diverse lifestyles of Thai consumers and rising digital trends. At the same time, this high-quality content can be viewed on a wide variety of channels including the convergent platforms of True Group as well as its local and global partners creating a revenue upside potential. TrueVisions ended the third quarter with its total customer base increasing to more than 4 million.

Remark: Impact from to DIF refers to impact from asset sale to the fund in 2017 and 2018  
Tax & others mainly comprise deferred tax expense and other income related to asset sale to DIF and non-recurring expenses, primarily asset impairments in 2Q18 and income tax revenue and share of results in subsidiaries and associates in 3Q18