

TMI RECORDS 18% GROWTH IN 1ST QUARTER PROFITS TO REACH RM403 MILLION

***Revenue increased by 18% to RM2.7 billion
PATAMI improved 18% to RM403 million
Group's mobile customers up 44% surpassing 43 million mark***

OVERVIEW

TM International Berhad (TMI) recorded higher earnings for the first quarter of 2008 with a Profit After Tax and Minority Interest (PATAMI) of RM403 million, an increase of 18% from RM341 million registered in the first quarter of 2007. The increased earnings was achieved on the back of RM2.7 billion revenue, a growth of 18% from RM2.3 billion registered in the corresponding period last year. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) grew to RM1.1 billion from RM1 billion achieved in the first quarter last year. The number of subscribers grew to 44 million customers, a growth of 45% compared to Q1 2007.

The strong results was mainly attributed to XL's solid performance and Celcom's continued turnaround momentum. XL's revenue grew by 51% compared to Q1 2007 figures due to the acquisition of subscribers and improved Minutes of Use (MoU) despite lower tariffs. Celcom's revenue grew by 10.7% mainly due to the continued growth in prepaid and postpaid as well as encouraging mobile broadband numbers.

Commenting on the first quarter results, Dato' Jamaludin Ibrahim, President and Group Chief Executive Officer, TMI said, "We are pleased to note that our efforts to strengthen the Group's regional businesses continue to bear fruit as reflected by our performance in the first quarter of 2008. These achievements certainly provide us with the added drive to build upon the footprint that we have established thus far."

MALAYSIAN OPERATIONS

Celcom

The Group's domestic mobile business registered an encouraging 10.7% growth in YoY revenue amidst the intensely competitive operating environment. Celcom grew its revenue to RM1,363 million in 1Q 2008 from RM1,231 million in the corresponding period last year, mainly driven by better margins and improvement in earnings contributed by lower costs. Celcom's PATAMI remained strong, increasing 33% from RM233 million in 1Q 2007 to RM310 million in 1Q 2008. Celcom recorded quarterly net addition of 369,000 customers in Q1 2008.

Celcom's encouraging results were attributed to the continuous improvement in its prepaid segment. The company's prepaid subscribers rose from 5,052,000 in 1Q 2007 to 6,199,000 in 1Q 2008. Celcom's positive results were also contributed by higher-than-expected take-up of its mobile broadband services.

TMI RECORDS 18% GROWTH IN 1ST QUARTER PROFITS TO REACH RM403 MILLION (cont'd)

OTHER REGIONAL MOBILE ASSETS

In Indonesia, PT Excelcomindo Pratama Tbk. (XL) registered a revenue of IDR2,654 billion, up 51% from IDR1,763 billion recorded in the same period last year. Its PATAMI saw a sharp increase of 109% YoY, propelled by better operating results and a higher foreign exchange gain.

XL's customer base grew 82%, from 10.1 million in Q1 2007 to 18.4 million by the end of Q1 2008 driven by strong brand awareness, an attractive pricing strategy as well as improved capacity.

The Group's operations in Sri Lanka under Dialog Telekom PLC (Dialog) continued to show steady growth registering a 13% increase in revenue of SLR8.9 billion in Q1 2008 as compared to SLR7.9 billion in Q1 2007. Dialog still maintains its dominant position as the number one mobile operator in Sri Lanka with a total customer base of 4.5 million. This represents a growth of 35% from its 3.4 million subscriber base achieved in 1Q 2007.

TM International Bangladesh Limited (TMIB) posted revenue of BDT3.6 billion in Q1 2008, a decrease of 5% as compared to BDT3.8 billion registered in the same period last year. The company's PATAMI also declined to BDT22 million in this quarter compared to BDT895 million a year ago. The sharp decline in revenue, PATAMI and EBITDA was the result of aggressive tariff cuts from intense competition in the 6-player market.

TMIB's total customers stood at 7.4 million in Q1 2008, registering a growth of 19% from 6.3 million recorded in Q1 2007. TMIB's subscriber base saw slower growth due to high subscriber acquisition costs in a highly competitive market.

The Group's other regional mobile assets saw a steady increase in revenue, EBITDA as well as subscriber base.

In Cambodia, the Group's operations under Telekom Malaysia International (Cambodia) Company Limited (TMIC) registered a 34% increase in revenue while in India, Spice Communications Limited (Spice) registered a 34% increase in revenue. Meanwhile, in Singapore, MobileOne Limited (M1) saw a modest 6% increase in revenue due to intensifying market competition.

MOVING FORWARD

The telecommunications industry will remain challenging and competitive in 2008 with continued offerings of innovative, attractive and competitive packages by industry players. The Group will embark on its twin engines of growth strategy, whereby it will first seek to unlock the value in its existing portfolio but also complement it with additional assets on an opportunistic basis. In addition to nurturing its existing OpCos, the Group will ensure the sharing of best practice and processes while introducing diversity in the organization whereby some of the best talent from the OpCos will be working at the holding company level and vice versa. The Group's investment strategy remains to look at emerging markets, particularly with high growth potential, closer to home.

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ABOUT TM INTERNATIONAL BERHAD (TMI)

TM International (TMI) is an emerging leader in Asian telecommunications with significant presence in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia. In addition, the Malaysian-grown holding company has strategic mobile and non-mobile telecommunications operations and investments in India, Singapore, Iran, Pakistan and Thailand.

The Group's mobile subsidiaries and associates operate under the brand name 'Celcom' in Malaysia, 'XL' in Indonesia, 'Dialog' in Sri Lanka, 'AKTEL' in Bangladesh, 'HELLO' in Cambodia, 'Spice' in India, 'M1' in Singapore, and 'MTCE' in Iran (Esfahan).

Listed on Bursa Malaysia, TMI is among the top ten biggest public limited companies in Malaysia by market capitalisation, and the first listed pan-Asian pure cellular service provider in the region.

The Group, including subsidiaries and associates, has about 44 million mobile subscribers in Asia, putting it among the largest mobile telecommunication providers in the region by turnover. The Group has approximately 13,000 people under employment in ten countries.

For more information on TMI visit: www.tmigroup.com

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