

Q&A
SESSION WITH AIZUDDIN DANIAN & RIZVANRP

11 NOVEMBER 2010

| PLANS | |
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| Q1 | What is your vision for TM HSBB in the near future? What about 5 years down the road? |
| | <ul style="list-style-type: none"> - Near future: - Concentrating on the rollout targets, premises passed and consumer and business uptake to deliver a high-speed broadband ecosystem that provides a richer online experience through triple-play services – voice, video and data. - UniFi is being progressively rolled out to reach 750,000 premises passed by the end of 2010, and 1.3mil premises passed by the end of 2012. - In 5 years: - For the HSBB ecosystem to be maturing with a healthy participation by homegrown content, services and applications value-added partners. - The HSBB network is ‘Open Access,’ which means TM works with any and all value-adding partners that can provide services and applications to subscribers. |
| UNIFI PACKAGES | |
| Q2 | Do you have plans to de-couple the Unifi packages, so customers can choose if they want HSBB, IPTV, and telephony separately or all bundled? |
| | <ul style="list-style-type: none"> - From inception, the HSBB project (as well as the ensuing UniFi service) has been predicated on value-added IP-based services under the PPP agreement. - The service itself is a value-based triple play proposition for consumers. - So HSBB is not just for pure data access services. For example the DECT phone and HyppTV bundle is TM’s contribution to the ecosystem (a running start, if you will) and we are wooing more value-added partners to come on board and add value to the network investment by offering content and services to customers. - UniFi residential packages come as a triple-play offering or bundle with the intention to provide a value add offering for an enhanced customer experience. Hence there is no pure Phone or Internet option for residential packages. Our business packages on the other hand, provide a Phone and Internet option only without IPTV to cater to the different needs of business customers. - Those who are seeking a pure data option-only may subscribe to our UniFi business packages also. - For data-only access we will continue to develop our existing copper last-mile so that higher speeds are possible. But for UniFi – the value-add service conditions are clear and outlined in the PPP agreement with the government. |
| Q3 | Do you have plans for another HSBB offering, 100MB, or 1GB, for regular consumers? If |

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| | so, when? |
| | <ul style="list-style-type: none"> - The network is certainly scalable, and where there is a demand we will certainly consider. - Our fibre access network is geared for future bandwidth scale-up when required. In time to come and based on market research, feedback and demand, we have the ability to scale-up if required. - For now, it depends on the VIP20 and BIZ20 take ups. |
| PRICING | |
| Q4 | Why are the price still HIGH? |
| | When are prices coming down, e.g. Streamyx and UniFi as we are among the most expensive broadband in APAC region. |
| | <ul style="list-style-type: none"> - Prices are still within the region's median - UniFi's positioning is a premium service; however we feel that the pricing is very reasonable. - For Broadband for the General Population (BBGP) we have other packages that cater for the entry-level - Average benchmark among other Telcos in the region is around RM11 Per Mbps while for TM it is around RM8 per Mbps. |
| HYPPTV | |
| Q5 | Why did TM promise VIP20 subscribers that the initial premium channels will be free (stated clearly on their website) and then changed their decision at the very last minute, without informing the VIP20 users? |
| | <ul style="list-style-type: none"> - As part of the free promotion at UniFi launch on March 24th, 2010, VIP20 subscribers were provided 8 Premium channels (<i>BBC Knowledge, BBC Lifestyle, Cbeebies, Luxe TV HD, Fashion TV HD, STAR Chinese Channel, STAR Chinese Movies 2 & Channel [V] Taiwan</i>) together with the 14 Free channels. Subscribers were also able to enjoy VOD for free during this promotional period. This promotion was only available until October 31st, 2010, after which TM starts to charge for the Premium channels and VOD. - Unfortunately there has been some confusion in the market regarding this matter. Thus, to reward our "early-bird" VIP20 subscribers who have purchased and installed VIP20 package before November 1st 2010, TM will include the 8 Premium Channels provided during the launch as part of VIP20 subscription package. - So, for all VIP20 subscribers who have purchase and installed VIP20 in their homes, before November 1st, 2010, they will be able to continue to enjoy all the 14 Free channel and 8 Premium channels as listed below: <p><u>Free Channels:</u></p> <ol style="list-style-type: none"> 1. TV1 2. TV2 3. TV3 4. NTV7 5. 8TV 6. TV9 |

7. *Hikmah*
8. *Bernamea TV*
9. *Travel News*
10. *Channel NewsAsia*
11. *Euronews*
12. *Luxe TV HD*
13. *DWTV Asia+*
14. *Australia Network*

Premium Channels:

1. *BBC Knowledge*
2. *BBC Lifestyle*
3. *CBeebies*
4. *Fashion TV SD*
5. *Fashion TV HD*
6. *STAR Chinese Channel*
7. *STAR Chinese Movies 2*
8. *Channel [V] Taiwan*

- All UniFi subscribers, including VIP20 subscribers can purchase the other Premium channels on an add-on basis, on top of their UniFi subscription.

Q6 IPTV cost per channel is too expensive. It could have been cheaper. Getting 20 more Unifi users to pay RM2-3 per channel is more profitable than trying to get 3 users to pay RM6-9 per channel. Please Adopt Tesco Business model.

- One of the main value propositions for HyppTV is flexibility. Through our many surveys and feedback from current Pay TV subscribers, one of the key complaints is not having is flexibility to only purchase the channels that they want to watch. With other providers, they have to pay for channels that they do not want as channels are packaged together.
- HyppTV offers subscribers the choice and flexibility to purchase individual channels to ensure they are paying for only the channels that they want.
- TM is always open to subscriber's feedback and input. In future TM may create promotional packages for the Premium channels but still highlighting the value proposition allowing subscribers to choose which channels they what to package together.
- The pricing for all HyppTV channels are as attached.

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| <p>Q7</p> | <p>What steps are TM taking to resolve the disproportionate allocation/use of bandwidth to/by users? Some users can download gigabytes of illegal content whilst others have trouble browsing, accessing MSN/facebook, watching occasional legal video streams, playing on-line games etc.?</p> <p>Suggestion: Remove traffic shapping/throttling and introduce a REASONABLE bandwidth capping with segregation between international and local bandwidth</p> <p>1. International bandwidth is overloaded No capping on hotfile/rapidshare Do not practice IP priority.</p> <p>Also tell him to openly admit that they are currently throttling all of us until midnight everyday. Why is the 4Mbps Streamyx package a night owl package?</p> <p>What steps are TM taking to resolve the disproportionate allocation/use of bandwidth to/by users? Some users can download gigabytes of illegal content whilst others have trouble browsing, accessing MSN/facebook, watching occasional legal video streams, playing on-line games etc.</p> |
| | <ul style="list-style-type: none"> - Thank you for the suggestions; these are all under our consideration .TM is currently in the midst of studying the best approach and offering before announcing the implementation. - Please note that: <ul style="list-style-type: none"> o The FUP practiced now is to maintain fair use for all TM customers. Fair Usage Policy (FUP) is a standard global practice implemented by telcos globally. This is to ensure a fair and even quality of service to all customers free from the irresponsible practices of a few. o Capping is not in effect yet. We will announce at a later date and we promise a reasonable cap. o We are looking to concurrently introduce volume-based pricing for power users who wish to transfer high volumes of data and do not mind paying for the privilege. - TM wants to study the traffic patterns on our UniFi service thoroughly before taking any decision on implementation. |
| BANDWIDTH CAPPING | |
| <p>Q8</p> | <p>Do you have plans to begin placing download caps on Streamyx in the future?</p> <p>Data cap is still too LOW for UniFi</p> <p>2. Can you review the cap volume? It is too low. Triple of what the current cap would be the ideal number.</p> <p>If they are going to implement a usage cap, it's best that they come with a self account management page, where we can check our own usage so far.</p> <p>And also, come out with the ability to purchase a bulk of new usage volume if we wish, like 20GB more, 40GB more, etc.</p> <p>Then if they are going to implement usage cap, please consider to reduce the price.</p> |

Daily cap must go, simply does not make sense. just imagine if you are working remotely or a student doing research, half way thru download of important document it tells you that you reach daily cap and you can't proceed further. Also the month cap need to be increase at least 1.5 or 2x the current limit.

3. There is a huge different between an average high bandwidth user & a really heavy bandwidth hog user. It would be nicer to implement "stage volume capping", so it would be fairer to both the user and the ISP. (if any technology device is capable to doing this) People who use just slightly over the cap shouldnt be punished heavily as the Real bandwidth hogger. It is unfair to them.

For example VIP 5=

- a) Throttle 4Mbps when 100GB volume cap reached
- b) 3Mbps when 150GB volume cap reached
- c) 2Mbps when 200GB volume cap reached
- d) 1Mbps when 250GB volume cap reached
- e) 512kbps when 300GB volume cap reached

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5. Bandwidth cap volume should be allowed to carry forward to next month, there this encourage users to conserve bandwidth that they didnt download unnecessary thing. For example like me I could be heavy on download this month but idling next month.

Why the cap? If the equipment can't handle the load of numerous users, why didn't they make proper preparation in the first place? We're paying a hefty sum of fee for this service.

The limit cap will kill Unifi?

Suggestion:

Instead of selling Speed of the internet I would prefer Unifi provide a standard speed 20Mbps but sell only bandwidth (like TNB electric bill)

- This is part of the implementation of FUP and Volume base for our Broadband for General Public (BBGP) services, however, TM need to do in-depth study before we start to implement this.
- We are looking to concurrently introduce volume-based pricing for power users who wish to transfer high volumes of data and do not mind paying for the privilege. We will make the necessary announcement once everything has been finalized later.
- Note that UniFi CAP is not in effect; TM is still studying and will implement a reasonable CAP and possible carryover. Thank you for those suggestions.
- We will implement a system whereby users can see their data usage on a monthly basis both on their bill and online soon.
- TM is currently monitoring traffic and usage patterns to determine and develop an appropriate approach in ensuring that all UniFi subscribers have a positive experience online. We do not have a specific timeline on when we are going to implement it yet as we just launched the service and we have to have enough traffic in order to get reliable data.

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| | <ul style="list-style-type: none"> - We will make due announcement later, once we decide on the policy moving forward. However, we wish to reiterate that volume cap is nothing new as it is a common practice implemented by other service providers in the world as well as locally. |
| <p>Q9</p> | <p>With FTTH ie UniFi...TM Should provide packages that encourage more local bandwidth utilization and save the more precious international bandwidth. For example, VIP20 may have 100Mbps local connection and 20Mbps, VIP10--->50Mbps local and 10Mbps international and so on....this should do a few things:</p> <ol style="list-style-type: none"> 1) Encourage local sharing (legal stuff) 2) Encourage local hosting/mirroring 3) The saved international can definitely lessen the complain of slow international speed <p>The list can go on....I'm not an IT/Network maybe other members can add on benefit of having high local speed with finite international speed.</p> <p>if we can purchase additional volume, i guess it's ok. Or, maybe they can increase the cap because i think 60GB per month is quite low.</p> |
| | <ul style="list-style-type: none"> - TM is working to get more content (international, favourites) cached locally. This is already in effect. - The challenges are numerous but we are working to make sure UniFi experience is improved when it comes to non-local content. - Please note again that the CAP is not in effect and we are looking to implement a reasonable CAP after exhaustively studying user patterns. - We will shortly implement a system whereby users can see their data usage on a monthly basis both on their bill and online. |
| QUALITY OF SERVICE | |
| <p>Q10</p> | <p>Why do many customers constantly feel frustrated when they try to call the TM support lines? (Streamyx/ UniFi)</p> <p>Streamyx customer support is not helpful most of the time, as a IT student, i know what is going on, and yet they want to ask me to do something that is not appropriate to the problem that i'm facing, for example, my DSL light is stable, line is ok but i cant login to Streamyx and connect to internet so i called Streamyx customer support, then they tell me to ping google, ping Streamyx DNS, if i cant</p> <p>When i got some problem with the Streamyx server side, i call them, they will try to deny is not their problem, i told them i have ensure my modem and pc and connection between modem and pc is ok, yet they still ask me to ping my own router, access my router page.</p> <p>"Commonly voiced complaints pertaining to the ongoing deteriorating quality of service (sc. only the technical aspects: latency, packet loss, etc.) has been disregarded by TM Net as mostly unforeseen technical or user faults - whereby customers have been uncovering more evidence of it being the effects of traffic management implementations - all of which TM actively denies in public statements. This reflects very poorly on the corporate governance of the company and may bring about legal ramifications (e.g. Hart v. Comcast,</p> |

2007)."

- Thank you for the feedback and keep it coming.
- We do acknowledge that there are still gaps that we need to bridge in providing a better experience for our customers.
- Ensuring customers get a good quality of service is very important to us in ensuring that these customers stay with us. Towards this end, TM is committed to spend at least 5.0% of revenue this year on customers' quality improvement initiatives.
- More fundamentally, we continue to strive for improvements in our Streamyx service on all fronts i.e. network and systems, international capacity, staff skills and knowledge and product and services offering to ensure a better experience for our customers. One point to note is that TM's network was originally designed to carry voice, with the longest local connectivity being around 5 km. Whilst good enough for voice traffic, it may be challenging when we are expecting good internet experience. In this regard, we have increased our quality improvement spend to shorten the copper distance to less than 2 km by putting network nodes as close as possible to our customers.
- All customers crave for speed but one must also understand that the download and upload speeds vary and is dependent on several factors such as location of website, capacity of visited web server, network congestion, running other applications simultaneously, etc. It is a fact that more than 80% of the websites that our users are accessing are sites located overseas. We do continue to upgrade our international capacity but there must be a longer term, more cost effective approach to this problem. At an industry perspective, creation of local contents must be encouraged. But this would perhaps be more of a longer term solution. Another approach that we are looking at is caching and mirroring of contents in-country. Popular contents are stored in-country so that users will have much better internet experience, with the reduction of congestion in the international links.
- There are also many other possible variables:
 - o TM does not have control over copper quality on premises and in buildings as it is under the purview of the building owners.
 - o We make sure the copper quality up to our side of the network is more than capable of delivering the provisioned service.
 - o Sometimes the overall experience is impacted by poor copper quality outside of our jurisdiction.

UNIFI INSTALLATION

Q11 Ask them why don't they do site survey before the UniFi installation??This can determine if the potential subscriber will have any issue during the installation day itself. As the owner needs to be at the house during installation, they will need to take a leave and if there's any problem during the installation, they will have problem taking another leave for another installation date.

In my case, i took a leave on the day for installation (4/11/2010). And guess what, the contractor needs to tarik about more than 500m from that UniFi box to the house so after

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| | <p>some discussion with TM, they told me to return order and they will update me on that problem. TM should visit Kg Melayu Subang and see how their infra at the moment. I've been told by the contractor that there's 3 UniFi box that is near to the house, but the nearest is about 500m. Until now no updates. If infra is not ready, don't gatai2 put at the website that the service is covered for the area. I register through the website and even called TM to confirm about the availability of the service at my area, and the staff told me don't worry all infra is ready...</p> |
| | <ul style="list-style-type: none"> - TM's SOP is to do site survey <u>a day before</u> to ensure that the strata property or the landed property is ready for installation. - It requires a high degree of technical competency, checking of cable entrance for the purpose of fibre drilling point, and equipment termination point before the installers can proceed with installation activities. UniFi is a service provisioned via direct fiber connectivity to the home and the installation process is more complicated than what most customers may expect. - Due to this, it can take between 3 (for strata – VDSL2) and 8 (FTTH) hours to install. - Having said that, our survey shows that as many as 40% of our customers are satisfied with trouble free installation and service, higher than the median 20% satisfaction rate industry standard. |
| <p>Q12</p> | <p>Why many people who using 1Mbps package but the speed they get is only 512kbps? even after technician come and check, the problem still persist.</p> |
| | <p>There are many possible variables:</p> <ul style="list-style-type: none"> - TM cannot control copper quality on premises and in buildings. - We make sure the copper quality up to our side of the network is more than capable of delivering the provisioned service. - Sometimes the overall experience is impacted by poor copper quality outside of our jurisdiction. - If it is proven technical testing shows bad quality experience and that our infrastructure can't support the high speed, TM will advise the customer to downgrade his/her service to lower speed packages to get better experience at lower price. |
| <p>Q13</p> | <p>Please consider that most of us dont use house phone anymore, calling to 1300 number using handphone is expensive, everytime i call, i have to wait for 5 mins for waiting someone to pickup my line yet my credit is ticking, dont you think this is something to improve?</p> |
| | <p>For those who do not wish to call we do provide other alternatives for customers to reach us:</p> <ul style="list-style-type: none"> - E-mail: unifi@tm.com.my – you will receive our response to acknowledge your complaints within 24 hours. |

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| | <ul style="list-style-type: none"> - Visit our Online UniFi Customer Centre portal at https://occ.unifi.my. - For more information, visit www.unifi.my. |
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| Q14 | Ask him why is Streamyx so lousy in Ipoh and when is UniFi coming? |
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| | <ul style="list-style-type: none"> - We will have to investigate this claim on Streamyx quality on a case by case basis. - On UniFi availability in Ipoh, it will be served by Tasek exchange and expected to be ready for service by Q4 2012. - For now, TM is focused on fulfilling our commitments under the Public-Private Partnership Agreement we signed with the Federal Government. The extremely high cost involved in a total national rollout is the major factor in limiting the coverage of HSBB. Priority is thus being given to areas which are key contributors to the national economy such as commerce, industrial and economic zones. - Meanwhile, we will continue to serve our BBGP customers in the roll-out areas. In line with this, we will be consolidating our investment and infrastructure in these areas so as to streamline all our offerings as part of our on-going efforts to provide our customers with enhanced customer service levels. Also, bear in mind, there is a wide option of BBGP services and technologies that will be continue to be available in Zone 1 areas, i.e from fixed, wireless and mobile means. - Areas outside Zone 1 will be served by BBGP (i.e. Streamyx). We have invested large amounts in enhancing and improving our Streamyx services and we will continue to do so to ensure that Malaysians have access to quality and affordable broadband services from TM. Towards this end, TM is committed to spend at least 5.0% of revenue this year on customers' quality improvement initiatives. - In addition, all IPTAs, regardless of area, will have HSBB rolled out to them – helping to build the foundations for the youth of tomorrow. - New telecentres will be built throughout the country, allowing subsidized internet access to remote communities. This, coupled with planned outreach programs to creatively bring broadband to underserved communities, also helps to bridge the digital divide. - Therefore, all consumers will be able to still continue to enjoy broadband as they experience today. - That said, providing HSBB coverage to areas stipulated by the PPP agreement also does not preclude us from rolling out HSBB to areas not covered by the PPP agreement. This will be done on a demand or normal business case basis and if the returns outweigh the costs involved, then we see no reason why we should not roll-out HSBB infrastructure and services to these areas. |
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| INTERNATIONAL CAPACITY | |
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| Q15 | Just how much international bandwidth/volume does TM purchase for its broadband subscribers seeing as how many people have complained of high latency and slow video |
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| | streaming and such? |
| | <ul style="list-style-type: none"> - TM can't disclose for competitive reasons but rest assured we have increased the capacity 8 fold in the last 6 years. - As customers worldwide are experiencing an explosive surge in data, voice and video traffic, TM is strengthening its global network to meet their needs by offering more capacity. It will also enhance reliability by providing more diversity and resiliency for the traffic that is generated throughout the Asia-Pacific and trans-Pacific regions to the United States. - TM owns or leases capacity on more than 10 submarine cable systems, which span more than 60,000 fiber-route miles around the globe, including several submarine cable routes that the company uses to carry traffic between the Asia-Pacific region and North America. - TM is also member of the various consortiums for submarine cable systems in the region, which include Asia America Gateway (AAG) which connects Malaysia directly to the United States of America (USA), South East Asia-Middle East-Western Europe Cable System 3 (SEA-ME-WE3 – SMW3), SEA-ME-WE4 (SMW4), Asia Pacific Cable Network 2 (APCN2) and the latest, Asia Pacific Gateway (APG) that will link Malaysia, Singapore, Thailand, Vietnam, Hong Kong, Philippines, Taiwan, China Mainland, Japan and Korea. - Last year, TM also joined a consortium to plan and develop a proposal to build an international undersea cable system, named Asia Pacific Gateway (APG) that links Malaysia, Singapore, Thailand, Vietnam, Hong Kong, Philippines, Taiwan, China Mainland, Japan and Korea. The cable system will span 8,000km and it is expected to be ready for service by end of 2013. |
| STREAMYX COVERAGE AREA | |
| Q16 | Since UniFi is available in many areas in KL and Selangor, why there are still some place that doesn't support 4Mbps? seriously, a lot of confusion and misunderstanding happen in Streamyx, when i try to call to Streamyx and ask if my area support 4Mbps, they say no while some say yes, when the TM contractor come my house, i ask them this area support 2-4mbps or not, they say no, but the website stated that 2Mbps and 4Mbps is supported in my area. |
| | <ul style="list-style-type: none"> - Streamyx availability on higher speed offering will rely on distance to the exchange and available in selected areas only, therefore some areas may not be able to receive 4Mbps or 2Mbps. - Service availability is also subject to technical testing before installation. - TM is continuing to improve BBGP (Streamyx) so it can at least offer 2Mbps nationwide to all potential subscribers |
| OTHERS | |
| MIGRATION PLAN | |
| | <ul style="list-style-type: none"> - Customers who subscribe to standard packages can opt to migrate to our latest promo |

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| | <p>packages i.e., Blockbuster Deals</p> <ul style="list-style-type: none">- We also make proactive calls to these customers to offer them the package migration. |
| | <p>NEW SOCIAL MEDIA PLAN</p> <ul style="list-style-type: none">- Dedicated Social Media Team for monitoring and engagement- Bluehat / Tech Council / Blogger engagement sessions – briefings & events- Ongoing social media monitoring- Explore social media channels e.g. Facebook- Social media radar – use various channels / organizations- User Generated Content (UGC) – format and informal |