



NEWS RELEASE
Kuala Lumpur
Tuesday, 17 July 2007

**TM SHOWCASES FIBRE-TO-THE-HOME (FTTH) TECHNOLOGY DELIVERING
HIGH-SPEED BROADBAND ACCESS SERVICE FROM 10MBPS UP TO
MAXIMUM SPEED OF 100MBPS TO THE HOME**

*FTTH technology the solution to support growing demand for higher bandwidth
applications leading to the eventual Digital Home experience*

As part of its ongoing efforts to support the nation's call for higher broadband speeds, Telekom Malaysia Berhad (TM) announced today that it plans to launch the new fibre-to-the-home (FTTH) broadband access solution by the second half of 2008, which will offer users the preliminary step towards the digital home experience.

FTTH is an end-to-end fiber optic connection for the deployment of high-speed broadband services to homes. The technology is capable of supporting up to 100Mbps but in general is capable of providing from 10Mbps onwards to users' homes. This new generation broadband connectivity solution is already at an advanced testing stage. This trial is led by TM's very own research arm, TM Research & Development Sdn Bhd (TM R&D) at the Mont Kiara Pines Condominium, with 20 residents taking part.

Datuk Dr. Halim Shafie, Chairman of Malaysian Communications and Multimedia Commission (MCMC) had the first preview of this trial deployment at Sri Hartamas, Kuala Lumpur by Zamzamzairani Mohd Isa, Chief Executive Officer, Malaysia Business, TM and Dr. Shahrudin Muslimin, Chief Executive Officer, TM R&D. Zainab Hashim, Vice President of Integrated Marketing, Malaysia Business, TM and En. Zamani Zakariah, Senior Director, MyICMS, Technology and Standards, MCMC were also in attendance.

"Today's showcase is a preview into the next level of the Malaysian broadband service. FTTH will become the platform for the convergence of various futuristic consumer-driven bandwidth intensive services and applications. With its impending service launch, we strongly feel that FTTH will fulfil the needs of current 'power users' and the next generation of users while becoming the preliminary step towards the 'digital home' experience for Malaysians," said Zamzamzairani.

“The ultimate digital home experience will come with the introduction of more than just triple play service, consisting of broadband, voice and content services, but covering other aspects of security, surveillance, intelligent home applications, healthcare and much more. While we move towards that, we intend to remain as the leading broadband service provider, by not only offering the fastest, most reliable next-generation broadband connectivity, but also the most complete point-to-point access solution to Malaysians,” he said.

The FTTH solution will be targeted at users requiring premium broadband services. Unlike Digital Subscriber Line (DSL) technology, it offers *higher* speeds and better throughput quality compared to copper wires; which have a distance limitation of up to 5km from the exchange. FTTH technology will be able to cover between 10 to 20km in distance service as an extension of TM's current broadband offerings. The first phase of the launch will see it being offered in the Klang Valley and other major urban centres of Peninsular Malaysia.

TM's technology partner in the FTTH project is Teknovus Inc. The company is providing TM with its fourth-generation Ethernet Passive Optical Networks (EPON) chipset, which it has developed to enable rapid, easy-to-deploy, and low-cost triple play services such as voice, data and video via the FTTH network solution.

Understanding the FTTH Network

FTTH is an optimal, practical and affordable broadband telecommunications solution that uses fibre optic cables and associated optical electronics to deliver multiple advanced broadband services. It allows extremely rapid transmission of voluminous data to both homes and offices enabling service providers to provide IP-based services, such as IPTV and High Speed Broadband (HSBB).

FTTH's immense capacity allows for the easy deployment of triple-play application services (voice, video and data). With such high-powered capability, users will discover the ease of use with having IPTV content, Video-on-Demand entertainment, gaming, Voice over Internet Protocol (VoIP) services and data applications delivered, all via the convenience of a single fibre-enabled broadband connection.

FTTH is a last mile technology that uses either EPON technology or Gigabit Passive Optical Network (GPON) technology. EPON has a downstream rate and upstream rate of up to

1.25Gbps while GPON technology delivers a downstream of 2.488Gbps and optional upstream rate of 155Mbps, 622Mbps, 1.44Gbps and 2.488Gbps.

FTTH requires a platform infrastructure comprising of an Optical Line Terminal (OLT) for deployment at the exchange or Central Office (CO) and an Optical Network Unit (ONU) for deployment at the customer premise. FTTH represents a high-speed connectivity alternative to traditional copper wires. The GPON technology is specifically cost-effective as it uses passive optical elements at customer's premise as an alternative to conventional access equipment, reducing points of failure while simplifying the network architecture.

Among benefits of this future-proof FTTH technology to the end users is its bandwidth capacity, reliability, security and scalability delivered over a single fibre optic cable to all Internet Protocol (IP) based services simultaneously.

About TM Research & Development Sdn Bhd

TM R&D is a wholly owned subsidiary incorporated on 2 October 2000, which started its operations in January 2001. The division is recognised by the Malaysian Industrial Development Authority (MIDA) as an approved R&D company under the Promotion of Investment Act 1986.

The team with research and support staff of over 370 people is focused on research and development activities and plays a vital role within the TM Group in providing customised solutions through leading-edge designs, fabrications and state-of-the-art technologies.

TM R&D utilizes customer trends and insights by conducting trials with existing users where the resulting data will be incorporated in the design and development of a product or solution.

The FTTH network solution project is currently a key initiative of TM R&D. It is conducting trials to ensure an optimum quality of the consumer broadband offerings. At the same time TM R&D is developing its own ONU and OLT equipment required for FTTH deployment.

About TM

Telekom Malaysia Berhad (TM), a leading regional information and communications group, offers a comprehensive range of communication services and solutions in fixed-line, mobile,

