

Results 2Q 2015

15 July 2015



MaxisONE Share Too Good Not to Share

Now you can share all the great benefits of MaxisONE plan. Share your unlimited talk, unlimited text, plus any amount of data with anyone.

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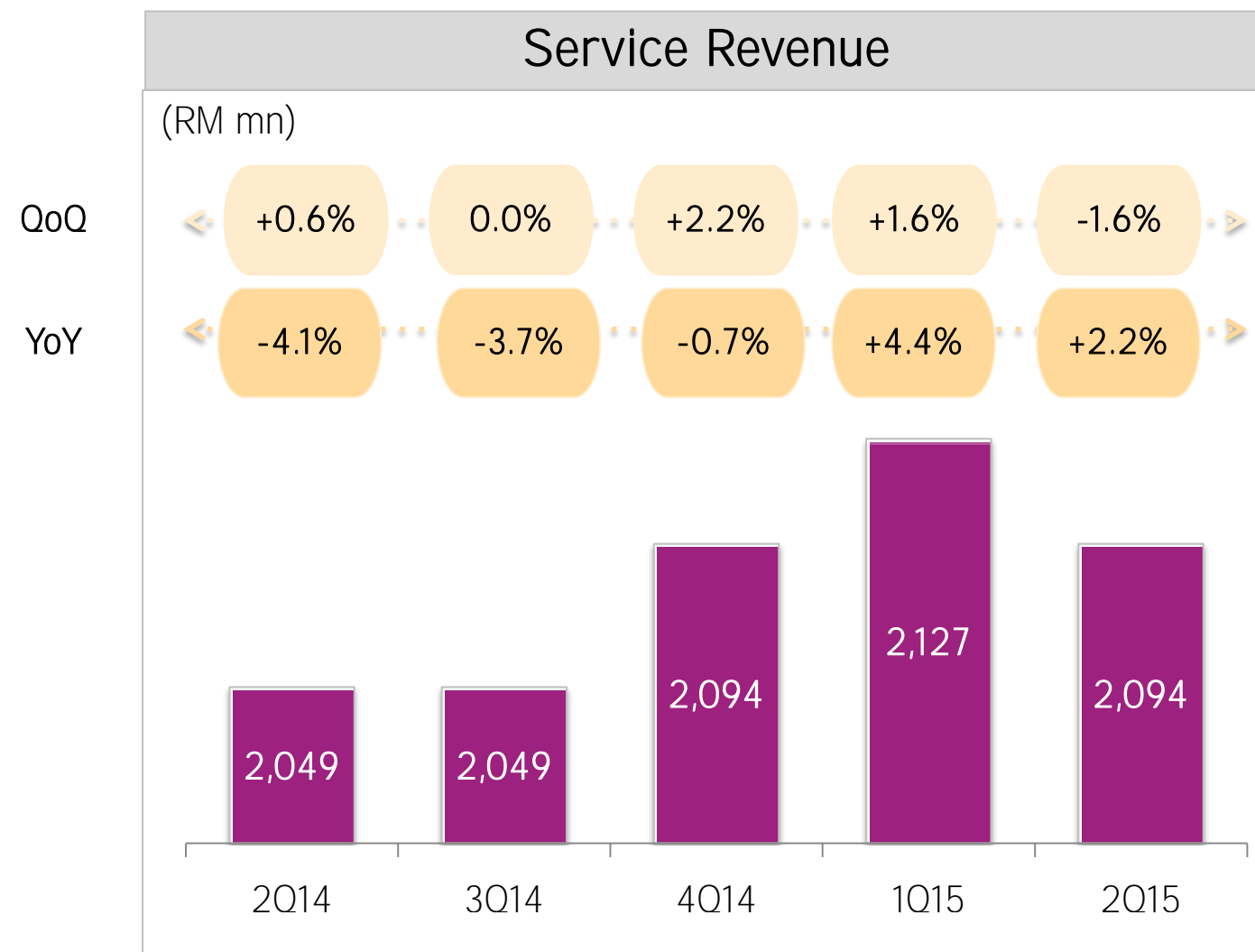

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Good performance despite GST impact and more price focused competition

- Continued to strengthen operating and financial performance by strong customer propositions and high performing network
- Prepaid impacted by GST freebies; underlying prepaid and core postpaid stable
- Year-on-year service revenue growth momentum intact; quarterly trend mainly impacted by GST
- Underlying EBITDA stable; quarter-on-quarter improvement on lower forex impact
- Second interim dividend of 5 sen net per share; aligned to cash generation and dividend policy



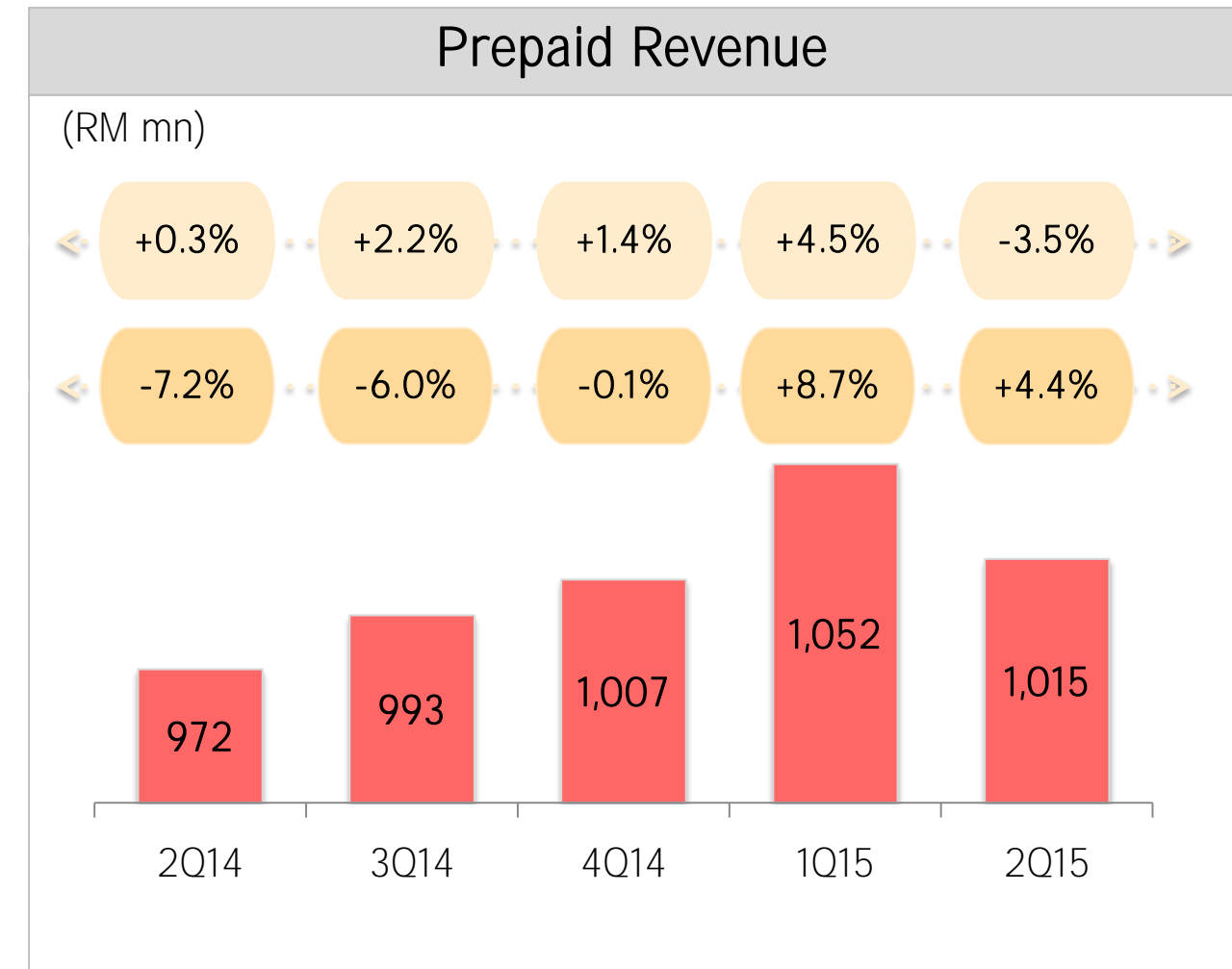
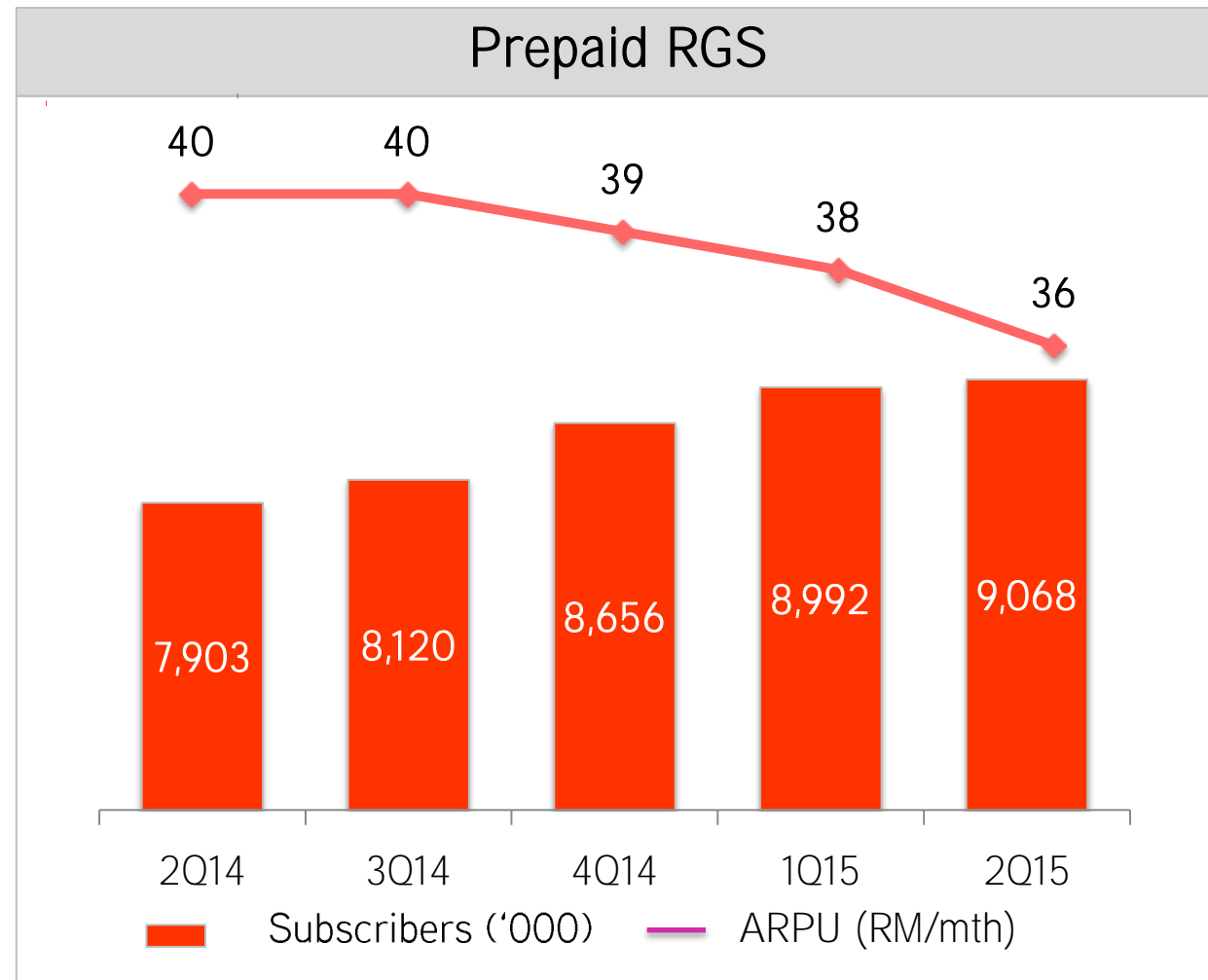
Year-on-year revenue growth intact; quarterly trend mainly impacted by GST



- Continued to grow revenue generating subscribers
 - Added 1.3 million RGS* since 1Q14
 - +49k RGS QoQ
- GST freebies impact ~RM50 million



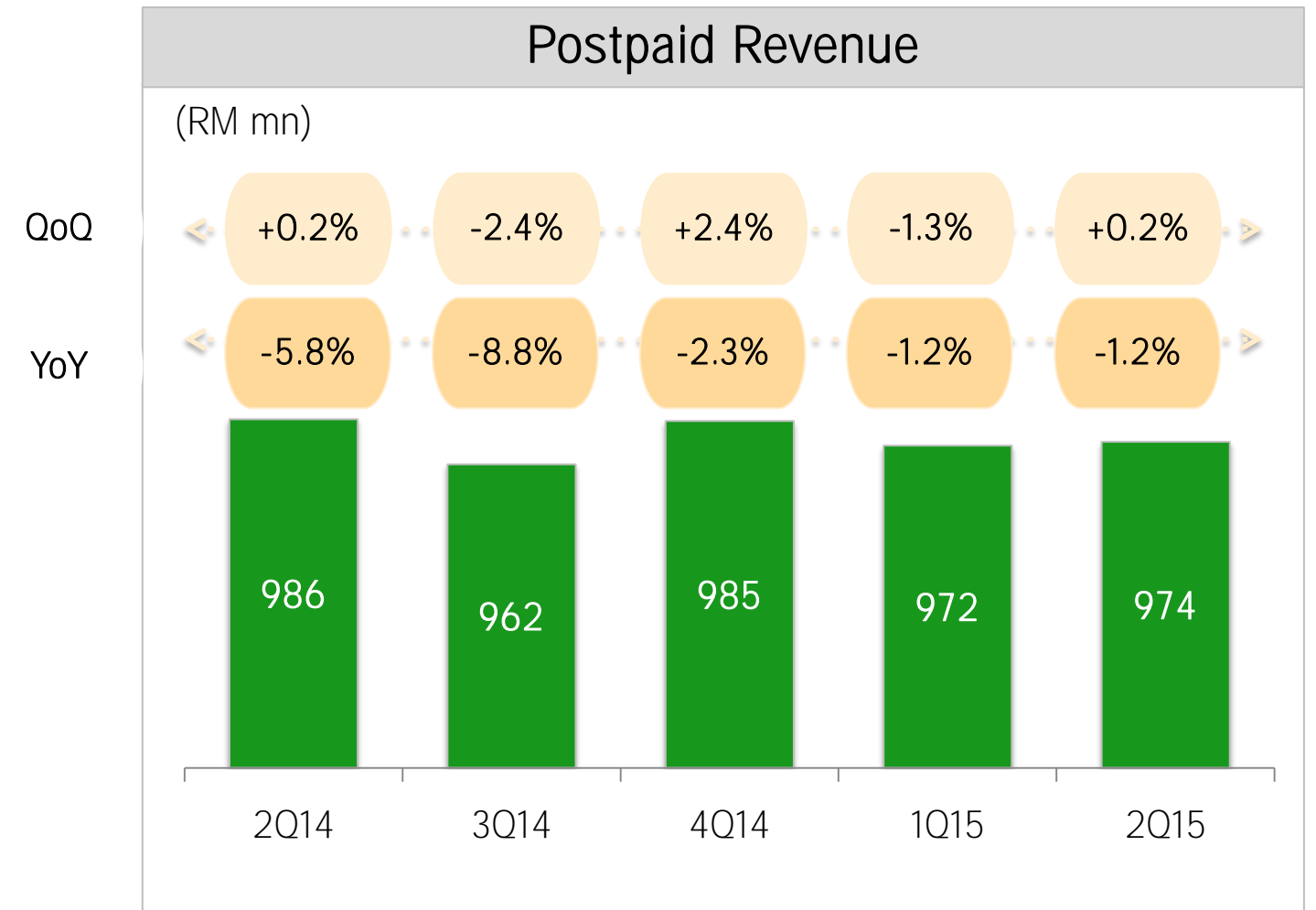
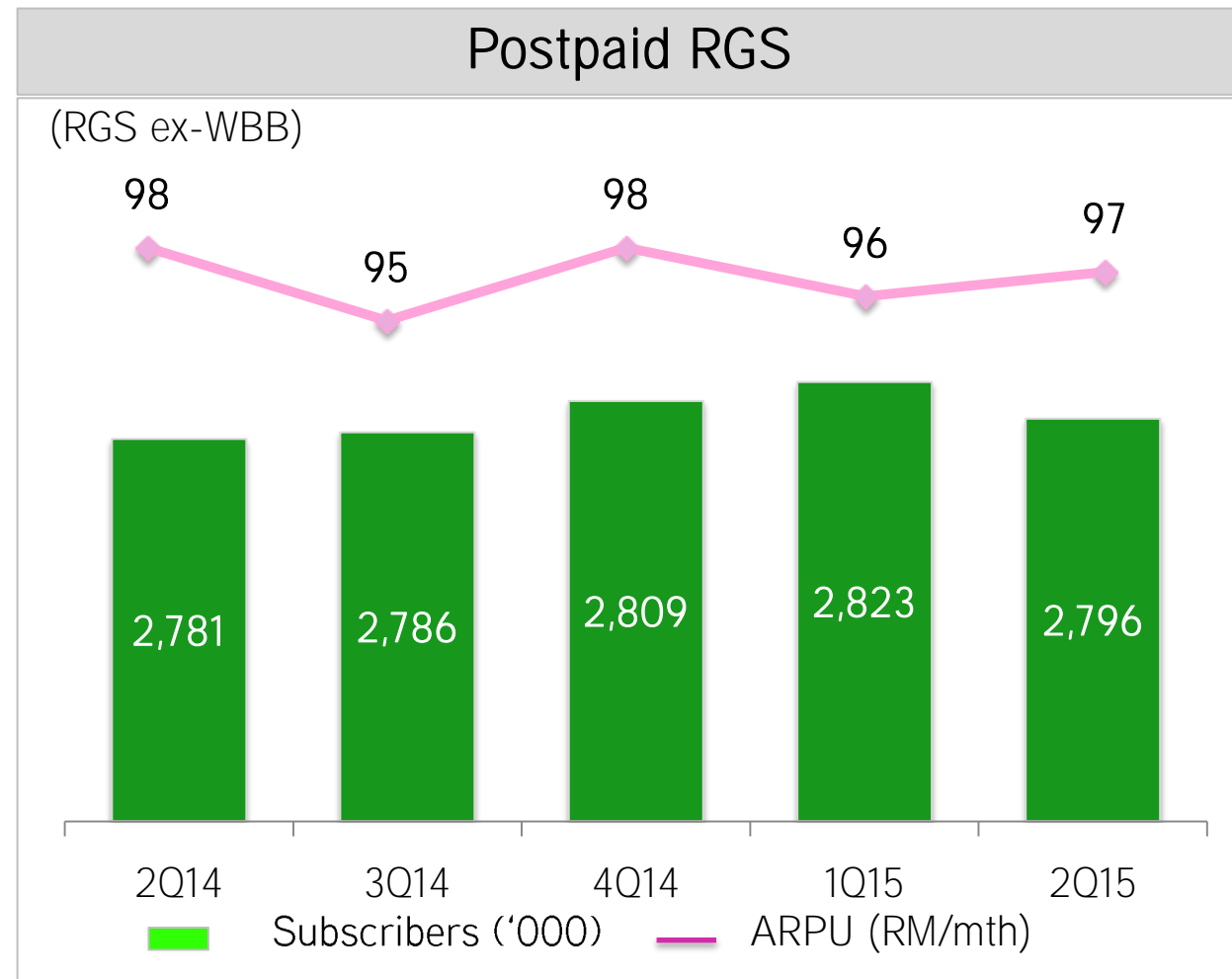
Prepaid usage impacted by GST freebies



- Subscriber acquisition momentum affected by dealers/subscribers sentiment
- ARPU reflecting impact of GST freebies (voice and text)
- Continued to gain traction in the migrant segment



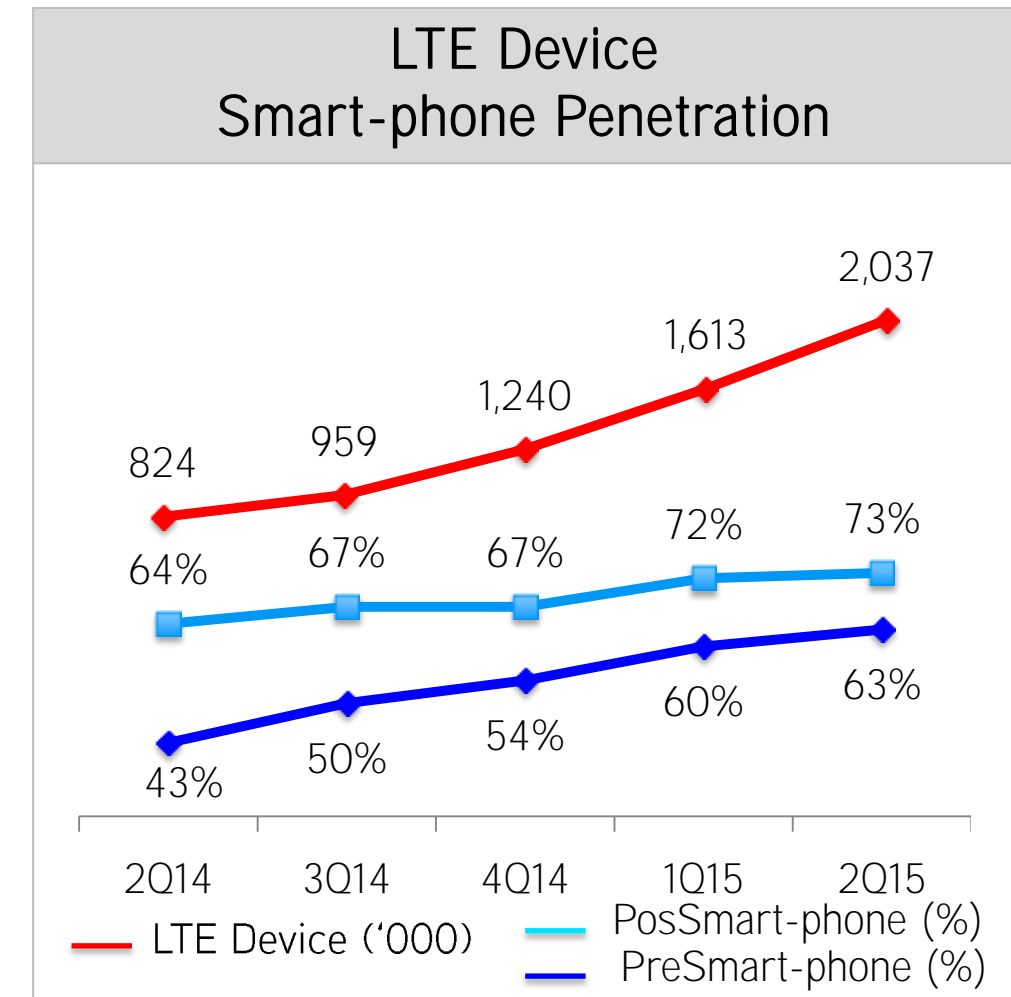
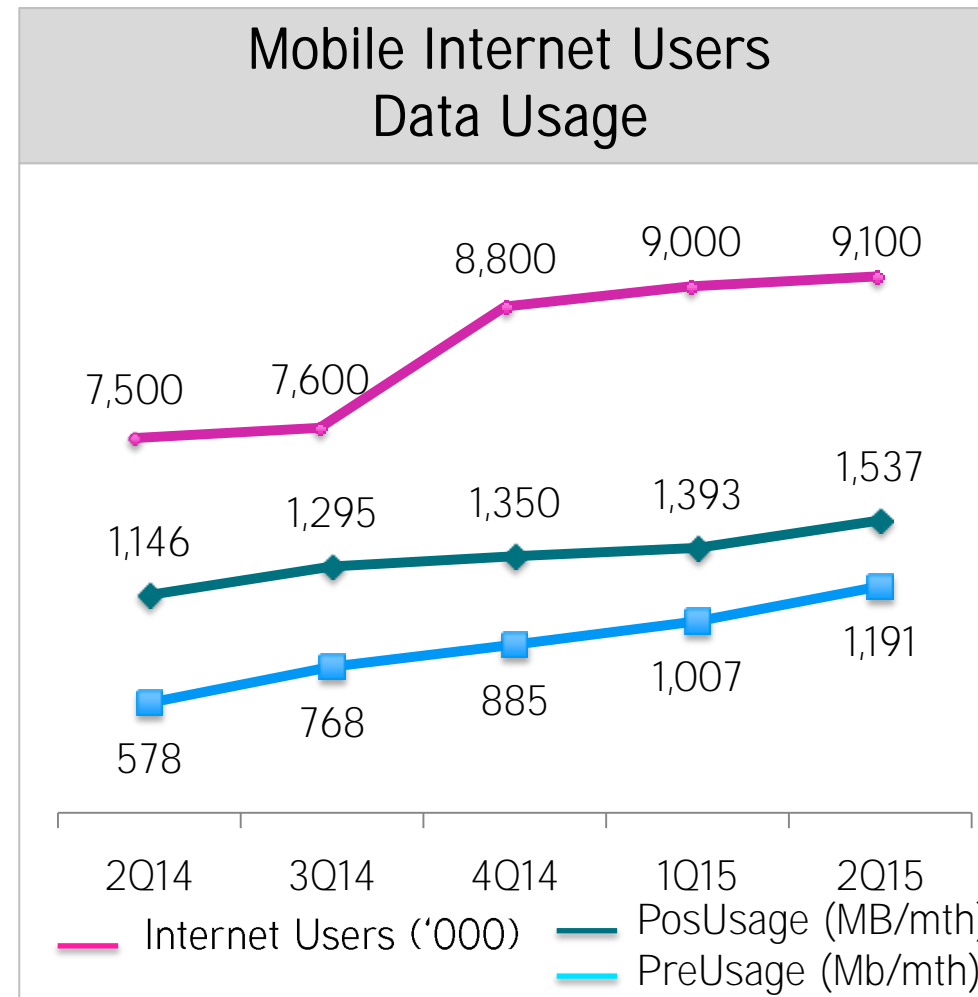
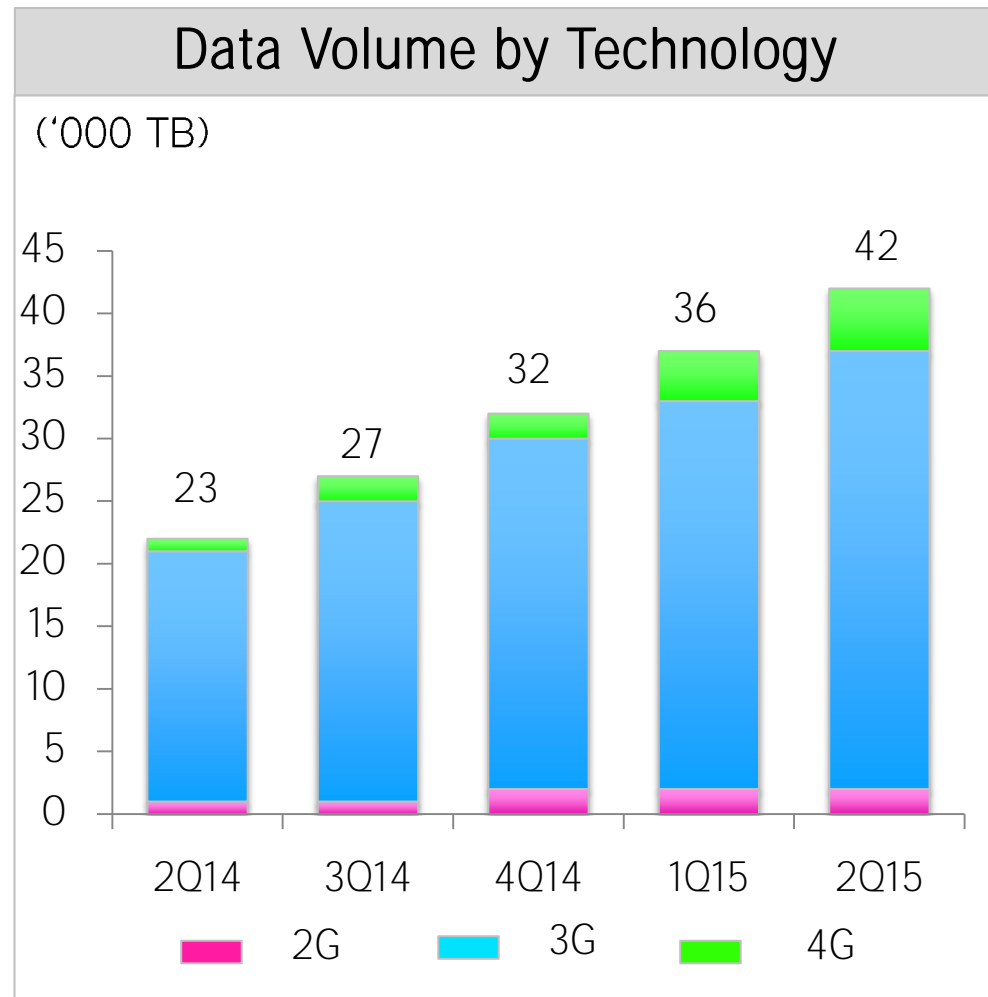
MaxisONE Plan attracts high quality subscribers



- Core postpaid revenue stable despite PPU re-pricing
- MaxisONE Plan reduces impact of voice/SMS-to-data substitution
 - Subscriber base @ 434k; ARPU stable @ ~RM150
 - Sharing feature getting good traction since April launch



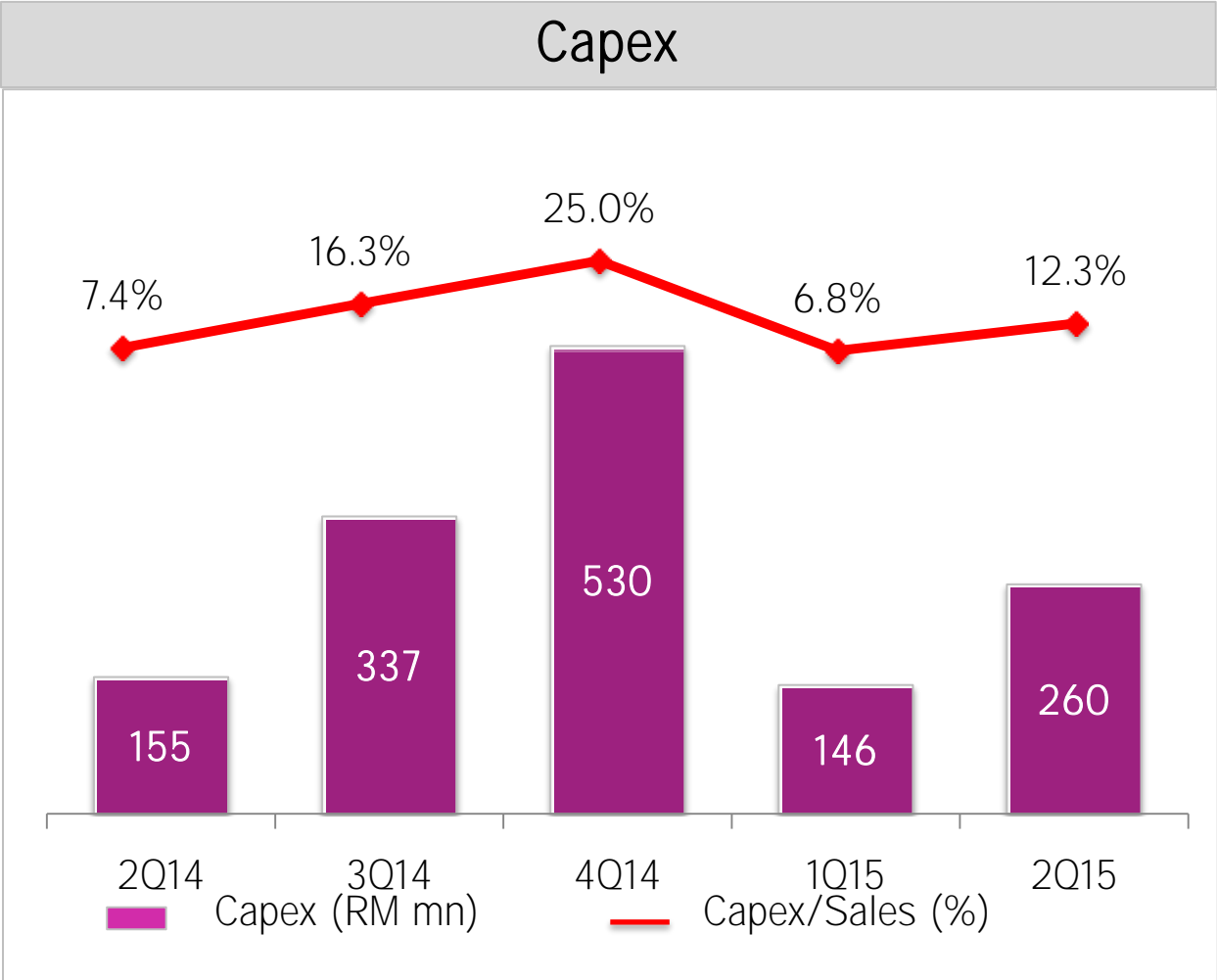
Surfing and streaming driving data consumption



- Mobile data traffic +83% YoY
- 1.9 million LTE users; average data consumption @ 2.2 GB/month
- Postpaid average data consumption @ 1.5 GB/month; prepaid @ 1.2 GB/month



Investment focus on 4G LTE network leadership and best customer experience



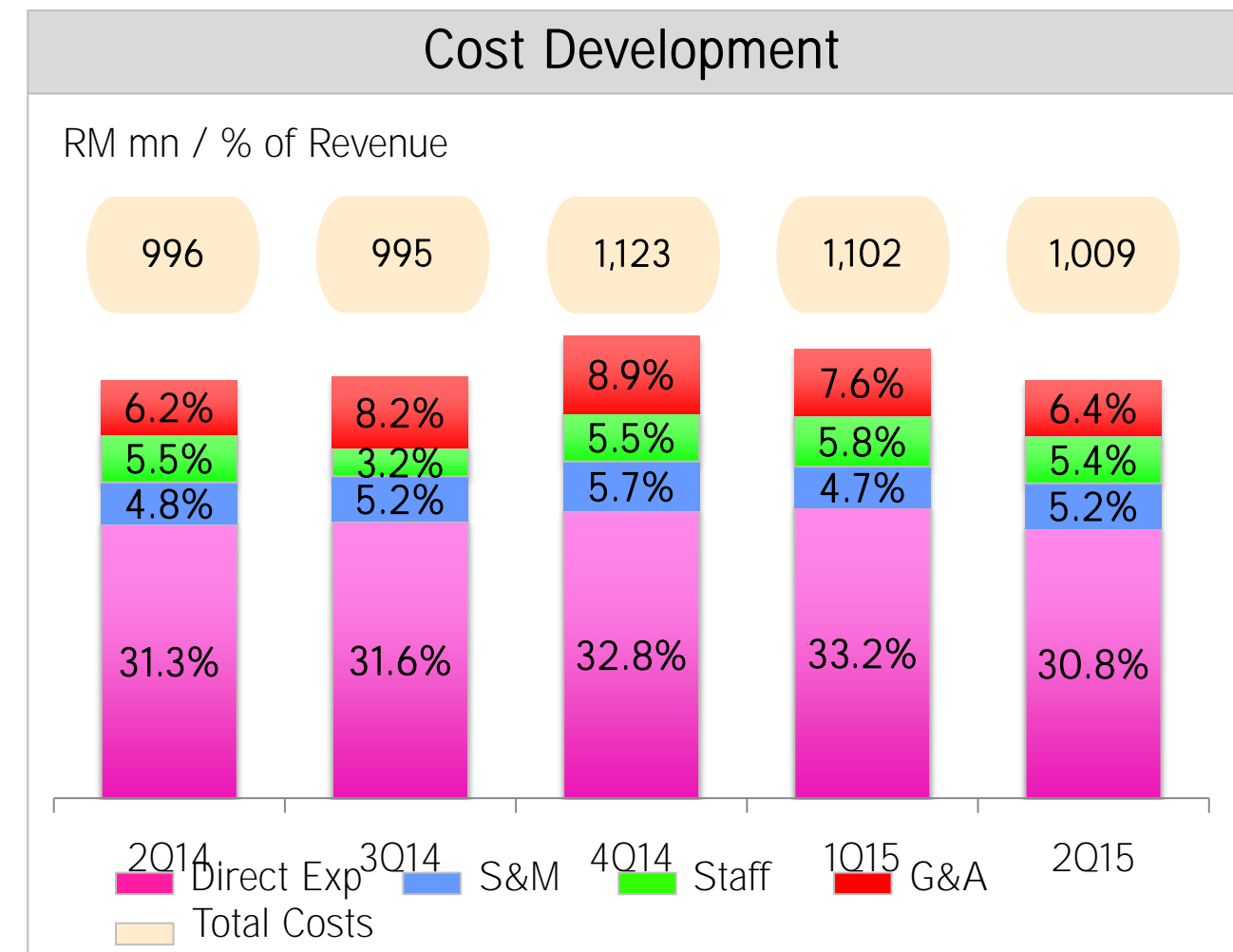
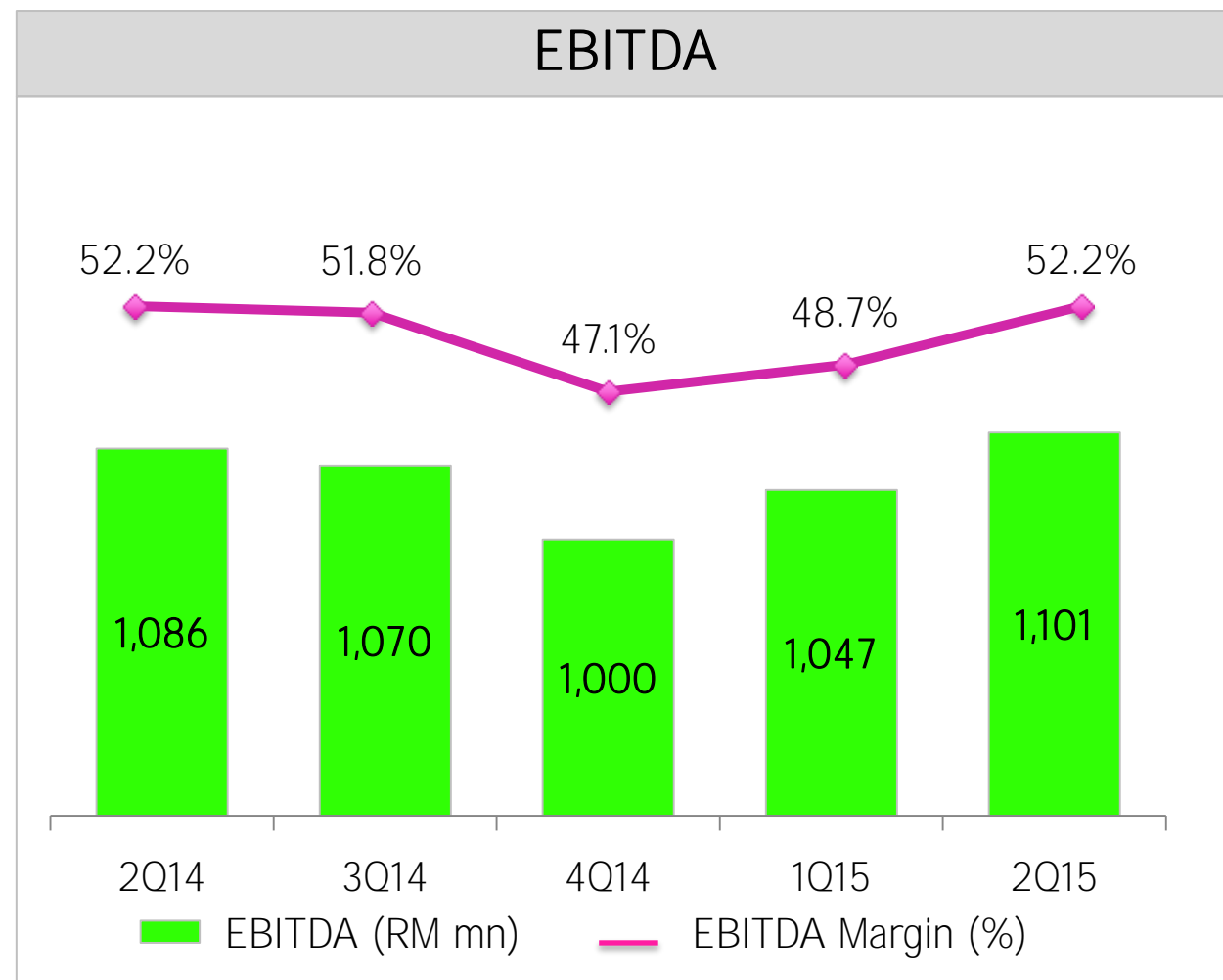
Network Population Coverage

	2014	2015
2G	95%	95%
3G	86%	88%
LTE	20%	41%
2G & 3G Modernisation	64%	81%

- LTE expansion and completion of network modernisation to provide coverage completeness/contiguity and superior network experience
- LTE pop coverage at 41%; target to reach over half of Malaysian population by year end



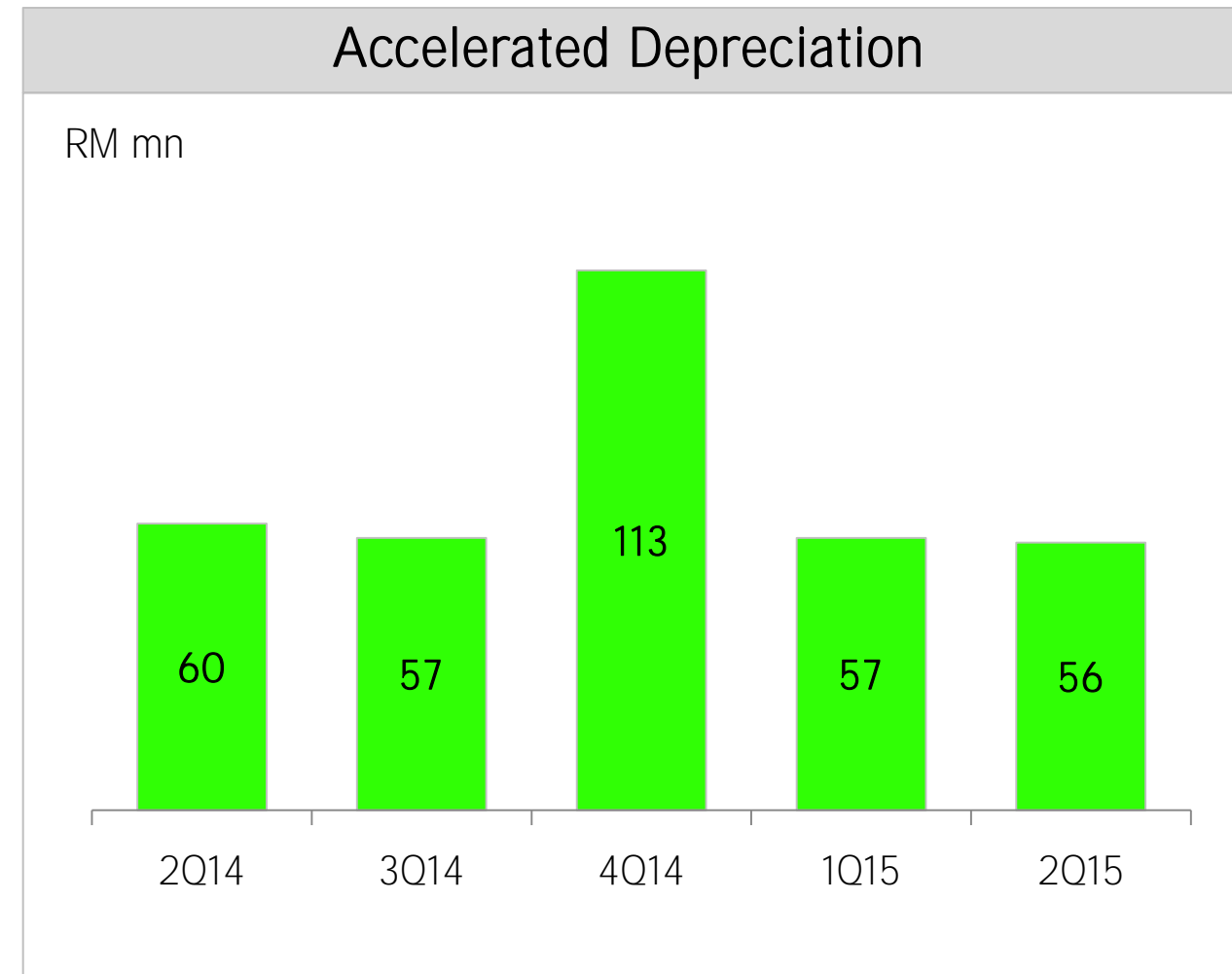
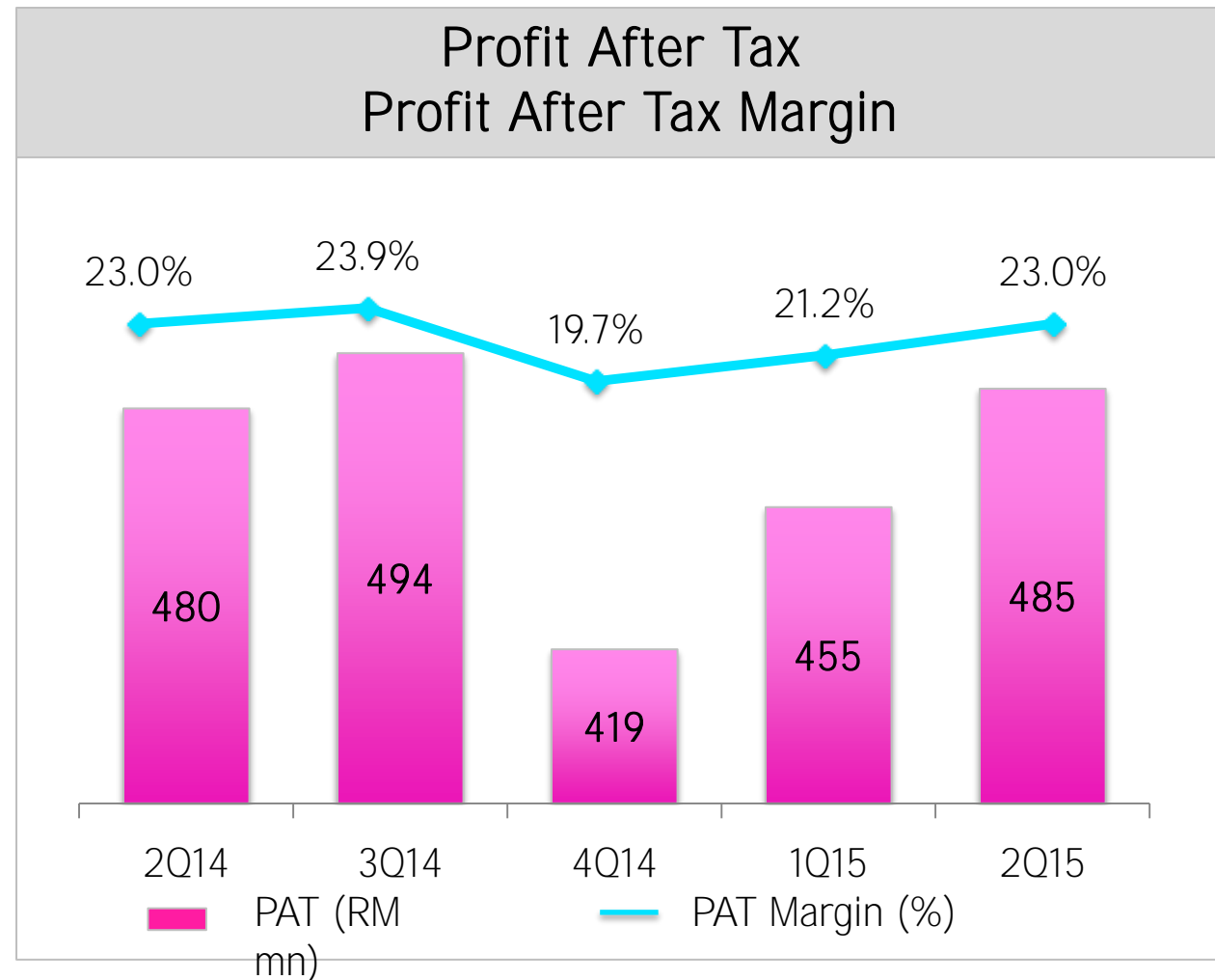
Underlying EBITDA stable; 1Q impacted by forex



- 2Q service revenue EBITDA margin at 53.9%
- Lower unrealised forex exchange losses this quarter; all other costs relatively unchanged



Profit After Tax lifted by higher EBITDA



- 2Q PAT in-line with higher EBITDA in the quarter
- PAT includes RM42 million in accelerated depreciation net of tax (1Q15: RM43 million)



FY2015 – Priorities (unchanged)

- 1 Accelerate data adoption and monetisation; it's all about the Internet
- 2 Commitment to superior network and service experience
- 3 Re-shape distribution/retail network
- 4 Continuous focus on operational efficiency and excellence

MAXIS 4G LTE 10X faster

SAMSUNG

Faster. Better. And now, priced lower.
Only on the best 4G LTE network.

Get the latest Galaxy S6 or S6 Edge and start surfing at blazing speeds with the MaxisONE plan.

Samsung Galaxy S6 Edge
NOW RM 1,999*
with MaxisONE Plan RRP RM 2,099*

Samsung Galaxy S6
NOW RM 1,399*
with MaxisONE Plan RRP RM 2,599*

Screen Size: 5.1" Dual-edge design

Screen Size: 5.1" Fast-charging

MaxisONE Plan Unlimited Calls & SMS Any number, any time, every day | Unlimited Social Chat All chat apps, all day | 2GB 4G LTE Internet + Add-on 3GB for 1MSB

Call 1800-82-8800 or visit your nearest store to switch to MaxisONE.

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FY2015 – Outlook (unchanged)

- Service revenue growth at low single digits
- EBITDA at similar level to FY2014
- Base capex spend ~RM1.1 billion

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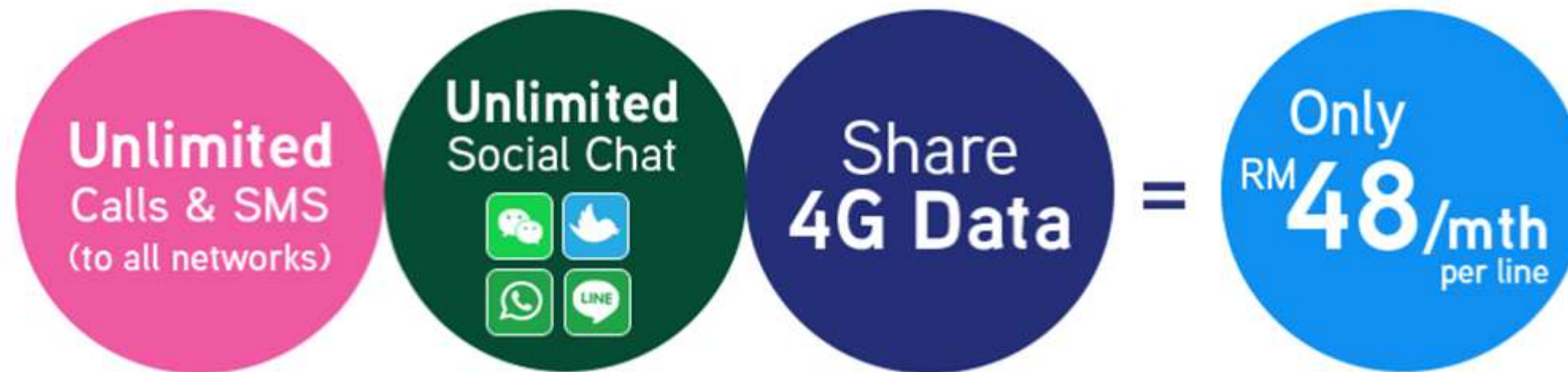
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Start Sharing Today

Just add 1GB of additional data to your **MaxisONE plan** and start sharing your unlimited talk, unlimited text, plus any amount of data for just RM48/month per line.



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Maxis Fibre Internet

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for the full experience.



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APPENDICES



Important definitions/notations

- **Service Revenue:** Group revenue excluding device & hubbing revenues
- **EBITDA margin on Service Revenue:** EBITDA that has been adjusted for costs solely related to the provision of service revenue defined above
- **Normalised EBITDA margin:** Normalised for one-off items in 2Q14 amounting to RM22 mil
- **Normalised PAT:** Normalised for one-off items after accounting for tax effects of RM29 mil in 2Q14, RM43 mil in 3Q14, RM84 million in 4Q14, RM43 million in 1Q15 and RM42 million in 2Q15
- **Free Cash Flow:** Cash Flow from Operations – Cash Flow from Investing Activities – Interest paid – Finance lease repayment
- **Revenue generating subscriber/subscription (RGS30):** Defined as active line subscriptions and exclude those that does not have any revenue generating activities for more than 30 days
- **WBB subscription:** Subscriptions on data plans using USB modems and tablets
- **FBI:** Free basic internet
- **Smart-phone:** Any devices with growing apps stores and active developers



Consolidated Income Statement

RM mn	Reported 1Q15	Reported 2Q15	QoQ chg	Normalised 1Q15	Normalised 2Q15	QoQ chg
REVENUE	2,149	2,110	-1.8%	2,149	2,110	-1.8%
Direct Exp	(713)	(650)		(713)	(650)	
Indirect Exp	(389)	(359)		(389)	(359)	
Total Opex	(1,102)	(1,009)	-8.4%	(1,102)	(1,009)	-8.4%
EBITDA	1,047	1,101	+5.2%	1,047	1,101	+5.2%
Margin	48.7%	52.2%		48.7%	52.2%	
Depreciation	(294)	(296)		(237)	(240)	
Amortisation	(61)	(67)		(61)	(67)	
Others	(6)	(2)		(6)	(2)	
EBIT	686	736	+7.2%	743	792	+6.6%
Interest Exp	(110)	(117)		(110)	(117)	
Interest Inc	14	12		14	12	
PBT	590	631	+6.9%	647	687	+6.2%
Tax	(178)	(188)		(192)	(202)	
PAT	412	443	+7.5%	455	485	+6.6%



Cash Flow Statement

RM mn	2Q14	3Q14	4Q14	1Q15	2Q15
Cash flow from operating activities	1,178	1,146	1,336	856	841
Cash flow used in investing activities	(91)	(389)	(597)	(256)	(398)
Purchase of property, plant & equipment	(21)	(338)	(519)	(146)	(317)
Proceeds from disposal of PPE	-	2	2	-	1
Purchase of intangible assets	(70)	(53)	(80)	(110)	(82)
Cash flow before financing activities	1,087	757	739	600	443
Cash flow used in financing activities	(725)	(634)	(684)	(796)	(221)
Dividends paid	(1,801)	(600)	(601)	(600)	(976)
Debt drawdown	1,150	1,000	-	350	840
Debt repayment	-	(921)	-	(421)	-
Payment of finance costs	(74)	(114)	(86)	(129)	(92)
Others	-	1	3	4	7
Net change in cash	362	123	55	(196)	222
Opening Cash Balance	991	1,353	1,476	1,531	1,335
Closing Cash Balance	1,353	1,476	1,531	1,335	1,557

RM mn	1Q15	2Q15
Debt#	8,723	9,569
Cash	1,335	1,557
Net Debt	7,388	8,012
Total Equity	4,546	4,038

Ratios	1Q15	2Q15
Net debt to EBITDA*	1.76x	1.86x
Net debt to Equity	1.63x	1.98x

Includes derivative financial instruments for hedging; excludes vendor financing
* Annualised



Key Financial Data

REVENUE BREAKDOWN

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Revenue	2,327	2,294	2,239	2,224	2,119	2,082	2,065	2,123	2,149	2,110
- <i>Service</i>	2,143	2,136	2,127	2,108	2,037	2,049	2,049	2,094	2,127	2,094
- <i>Mobile</i>	2,066	2,062	2,051	2,024	1,953	1,958	1,954	1,992	2,024	1,989
- <i>EntFixed</i>	63	58	58	61	59	62	64	68	65	64
- <i>IntSer(Home)</i>	14	16	18	23	25	29	31	34	38	41
- <i>Non-Service</i>	184	158	112	116	82	33	16	29	22	16
- <i>Device</i>	125	95	43	56	40	5	2	7	9	6
- <i>Hubbing</i>	59	63	69	60	42	28	14	22	13	10
EBITDA Margin on Service Revenue	53.0%	54.4%	49.6%	46.4%	53.0%	53.5%	52.7%	48.6%	49.8%	53.9%
(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Mobile Revenue*	2,066	2,062	2,051	2,024	1,953	1,958	1,954	1,992	2,024	1,989
- <i>Prepaid</i>	1,069	1,047	1,055	1,008	969	972	992	1,007	1,052	1,015
- <i>Postpaid</i>	997	1,015	996	1,016	984	986	962	985	972	974



Key Financial Data

REPORTED - FINANCIALS

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Revenue	2,327	2,294	2,239	2,224	2,119	2,082	2,065	2,123	2,149	2,110
Total Expenses	1,205	1,129	1,187	1,253	1,046	996	995	1,123	1,102	1,009
- <i>Direct</i>	801	787	738	763	707	652	652	696	713	650
- <i>Indirect</i>	404	342	449	490	339	344	343	427	389	359
EBITDA	1,122	1,165	1,052	971	1,073	1,086	1,070	1,000	1,047	1,101
PBT	666	735	667	428	657	634	643	502	590	631
PAT	476	530	474	292	488	451	451	335	412	443
EBITDA Margin	48.2%	50.8%	47.0%	43.7%	50.6%	52.2%	51.8%	47.1%	48.7%	52.2%
PAT Margin	20.5%	23.1%	21.2%	13.1%	23.0%	21.7%	21.8%	15.8%	19.2%	21.0%

REPORTED - COSTS

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Expenses	1,205	1,129	1,187	1,253	1,046	996	995	1,123	1,102	1,009
Direct Expenses	801	787	738	763	707	652	652	696	713	650
Indirect Expenses	404	342	449	490	339	344	343	427	389	359
- <i>S&M</i>	91	77	87	108	71	100	107	122	103	110
- <i>Staff Costs</i>	135	111	218	154	117	115	66	116	124	115
- <i>Bad Debts</i>	20	16	8	21	12	9	15	18	4	10
- <i>G&A</i>	158	138	136	207	139	120	155	171	158	124



Key Financial Data

NORMALISED - FINANCIALS

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Revenue	2,327	2,294	2,239	2,224	2,119	2,082	2,065	2,123	2,149	2,110
Total Expenses	1,205	1,129	1,085	1,143	1,046	1,018	995	1,123	1,102	1,009
- Direct	801	787	738	759	707	652	652	696	713	650
- Indirect	404	342	347	384	339	366	343	427	389	359
EBITDA	1,122	1,165	1,154	1,081	1,073	1,064	1,070	1,000	1,047	1,101
PBT	726	775	769	660	696	672	700	615	647	631
PAT	521	560	550	466	517	480	494	419	455	485
EBITDA Margin	48.2%	50.8%	51.5%	48.6%	50.6%	51.1%	51.8%	47.1%	48.7%	52.2%
PAT Margin	22.4%	24.4%	24.6%	21.0%	24.4%	23.1%	23.9%	19.7%	21.2%	23.0%

NORMALISED - COSTS

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Expenses	1,205	1,129	1,085	1,143	1,046	1,018	995	1,123	1,102	1,009
Direct Expenses	801	787	738	759	707	652	652	696	713	650
Indirect Expenses	404	342	347	384	339	366	343	427	389	359
- S&M	91	77	87	108	71	100	107	122	103	110
- Staff Costs	135	111	116	113	117	115	66	116	124	115
- Bad Debts	20	16	9	21	12	9	15	18	4	10
- G&A	158	138	135	142	139	142	155	171	158	124



Key Operational Data

CUSTOMERS (Market Definition)

('000)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Mobile Subs	14,136	13,873	13,213	12,893	12,602	12,401	12,415	12,913	13,260	13,269
- Prepaid	10,780	10,497	9,845	9,528	9,238	9,042	9,081	9,624	9,979	10,051
- Postpaid	3,356	3,376	3,368	3,365	3,364	3,359	3,334	3,289	3,280	3,218
WBB*	673	663	636	596	569	532	495	440	412	385
Mobile Internet Users	7,900	8,000	6,900	7,300	7,100	7,500	7,600	8,800	9,000	9,100
Home Connections	31	36	43	52	59	66	72	80	89	99

ARPUs and MOUs (Market Definition)

(RM/mth)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Postpaid ARPU#	102	103	100	101	96	97	94	97	95	96
Prepaid										
- ARPU	32	31	33	33	33	34	35	35	35	33
- MOU (min/mth)	125	119	116	117	118	124	131	133	126	131
Blended ARPU#	46	46	48	49	48	50	50	50	48	47

* WBB subscriptions defined as subscriptions on data plans using USB modems and tablets – included in postpaid subscriptions

Commencing 1Q15, postpaid MOU is no longer disclosed as we are not applying fair value to new bundled plans including the MaxisONE Plan



Key Operational Data

CUSTOMERS (RGS30)

('000)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Mobile Subs	11,532	11,310	11,003	11,048	11,076	11,146	11,338	11,864	12,192	12,214
- Prepaid	8,289	8,054	7,759	7,797	7,822	7,903	8,120	8,656	8,992	9,068
- Postpaid	2,634	2,664	2,683	2,721	2,749	2,781	2,786	2,809	2,823	2,796
WBB*	608	592	561	530	505	462	432	398	377	351

ARPUs (RGS30)

(RM/mth)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Postpaid	103	104	101	101	97	98	95	98	96	97
Prepaid	41	40	42	42	40	40	40	39	38	36
Blended	57	57	58	58	55	56	55	54	53	51

SMART PHONE PENETRATION

(%)	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Blended	25	29	33	38	43	48	54	57	62	65
- Prepaid	20	23	27	32	38	43	50	54	60	63
- Postpaid	49	53	56	59	61	64	67	67	72	73

* WBB subscriptions defined as subscriptions on data plans using USB modems and tablets

Commencing 1Q15, postpaid MOU is no longer disclosed as we are not applying fair value to new bundled plans including the MaxisONE Plan

* Smart-phone defined as any devices with growing apps store and active developers

