

MAXIS BERHAD

1Q 2013 RESULTS
9 MAY 2013



1Q13 KEY HIGHLIGHTS

A positive start



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Market initiatives delivering growth

- +0.9% revenue growth QoQ
- +5.4% EBITDA growth QoQ
- +2.0%pp EBITDA margin growth QoQ
- 48.2% EBITDA margin
- +25.9% PAT growth QoQ
- +3.5% non-voice revenue growth QoQ
- 47.8% non-voice revenue

Continued investment in future data revenue

First 4G LTE and first 4G LTE on Apple devices in Malaysia

Network modernisation ongoing

Integrated strategy on track

Astro IPTV bundles launched

Continuous seeding of smart devices

Dividend declared

1st interim dividend of RM600m @ 8 sen/share

1Q13 RESULTS



RM million

	1Q13	4Q12	Growth QoQ	1Q12	Growth YoY
Revenue	2,327	2,306	+0.9%	2,229	+4.4%
EBITDA	1,122	1,065	+5.4%	1,133	-1.0%
EBITDA Margin	48.2%	46.2%	+2.0pp	50.8%	-2.6pp
Normalised PAT*	521	475	+9.7%	557	-6.5%
PAT	476	378	+25.9%	573	-16.9%
Normalised PAT Margin*	22.4%	20.6%	+1.8pp	25.0%	-2.6pp
PAT Margin	20.5%	16.4%	+4.1pp	25.7%	-5.2pp

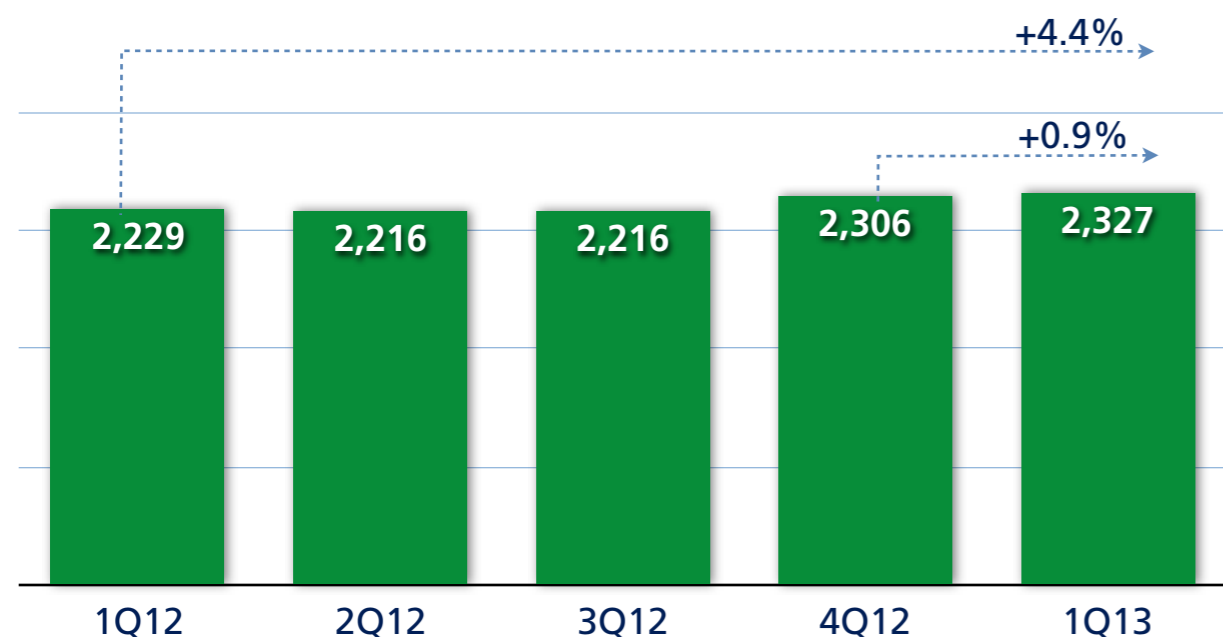
* Normalised for accelerated depreciation and one-off write offs. PLease refer to slide 12

REVENUE

Positive growth trends



Revenue (RM mn)



Positive growth trends across-the-board

+0.9% QoQ growth; +4.4% YoY growth

QoQ growth across all core business segments

Non-voice continued to lead growth

+3.5% QoQ growth; +7.3% YoY growth

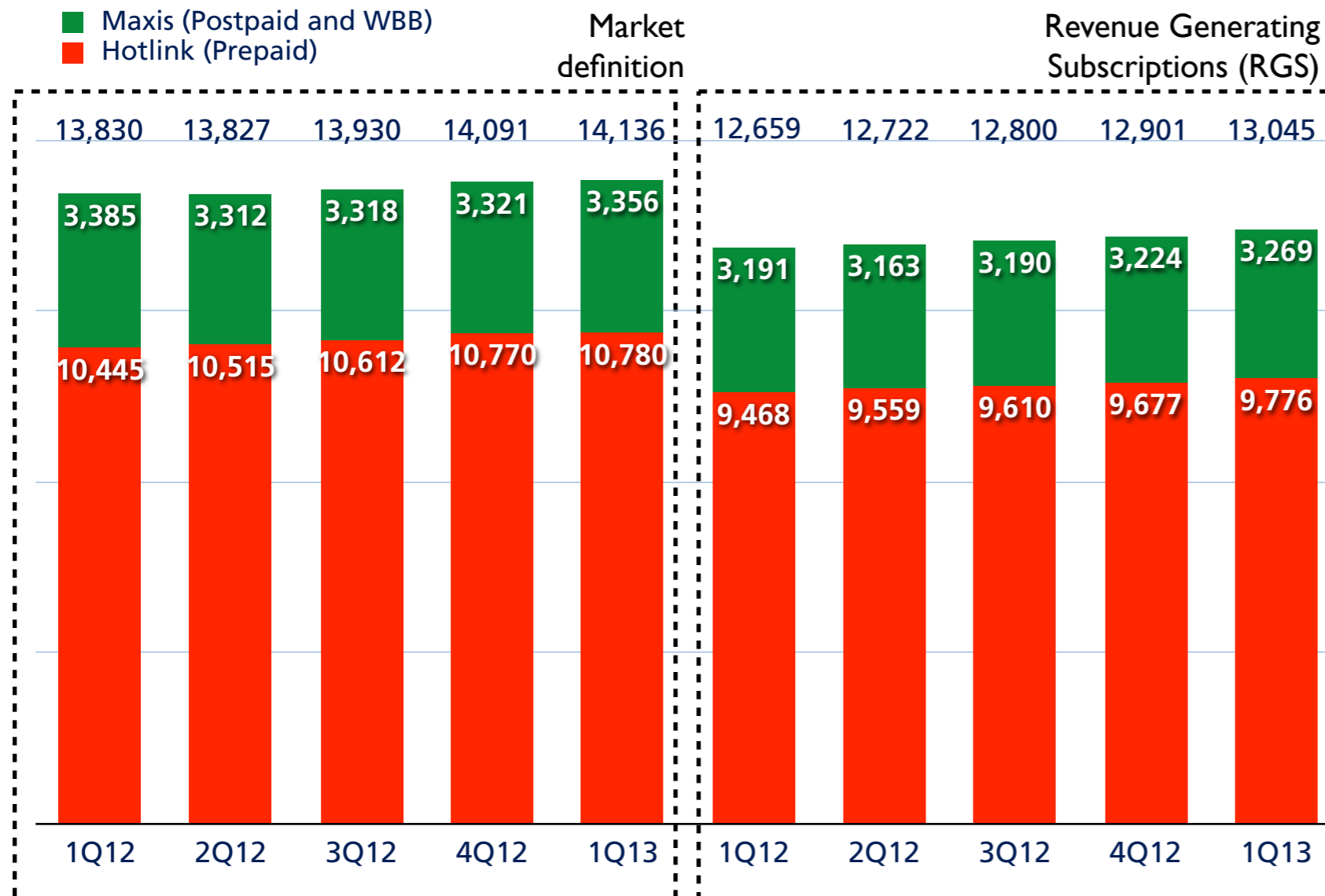
RM mn	1Q12	2Q12	3Q12	4Q12	1Q13	Growth QoQ
Mobile	2,133	2,101	2,120	2,183	2,184	0.0%
Enterprise Fixed	45	50	53	55	63	14.5%
Home	5	6	9	11	14	27.3%
International Gateway	46	59	34	57	66	15.8%
Revenue	2,229	2,216	2,216	2,306	2,327	0.9%

MOBILE SUBSCRIPTIONS

Continued accent on quality of subscriber base



Mobile Subscriptions ('000)



Leadership on mobile subscription maintained

Continued to grow RGS base

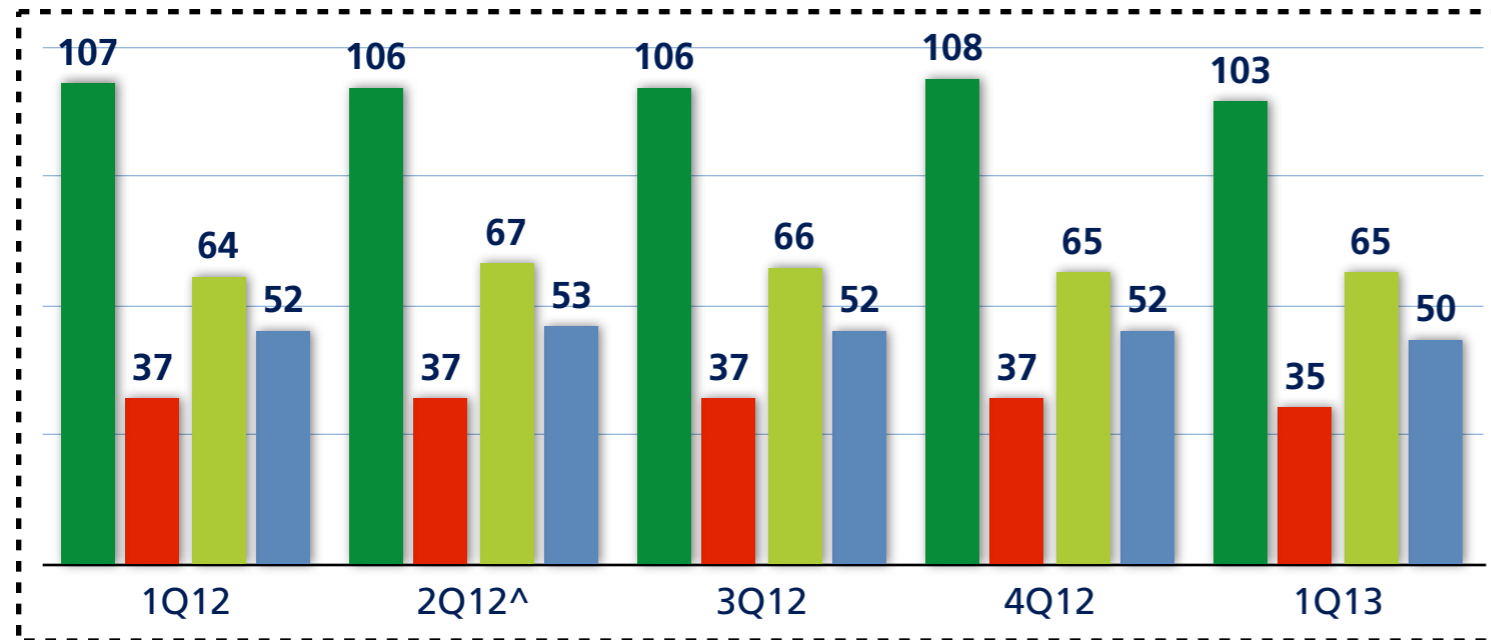
- Prepaid RGS grew over 7 consecutive quarters
- Postpaid RGS grew for the third consecutive quarter; driven by retention and re-contracting programs

ARPU & MOU

Impacted by seasonality

ARPU (RM/month) on RGS

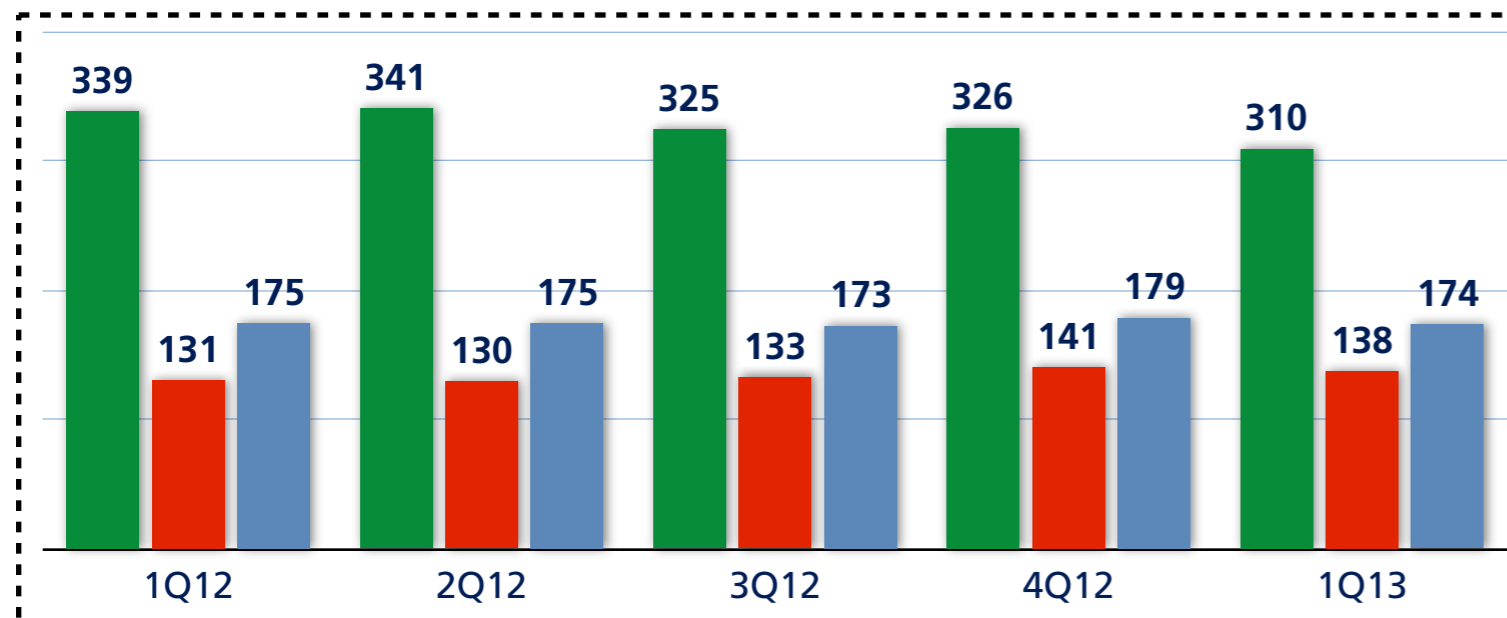
■ Postpaid ■ Prepaid ■ WBB ■ Blended



^ Postpaid and WBB ARPUs normalised as Reported ARPU included one-off adjustments

QoQ ARPUs and MOUs impacted by seasonality

Minutes of Usage

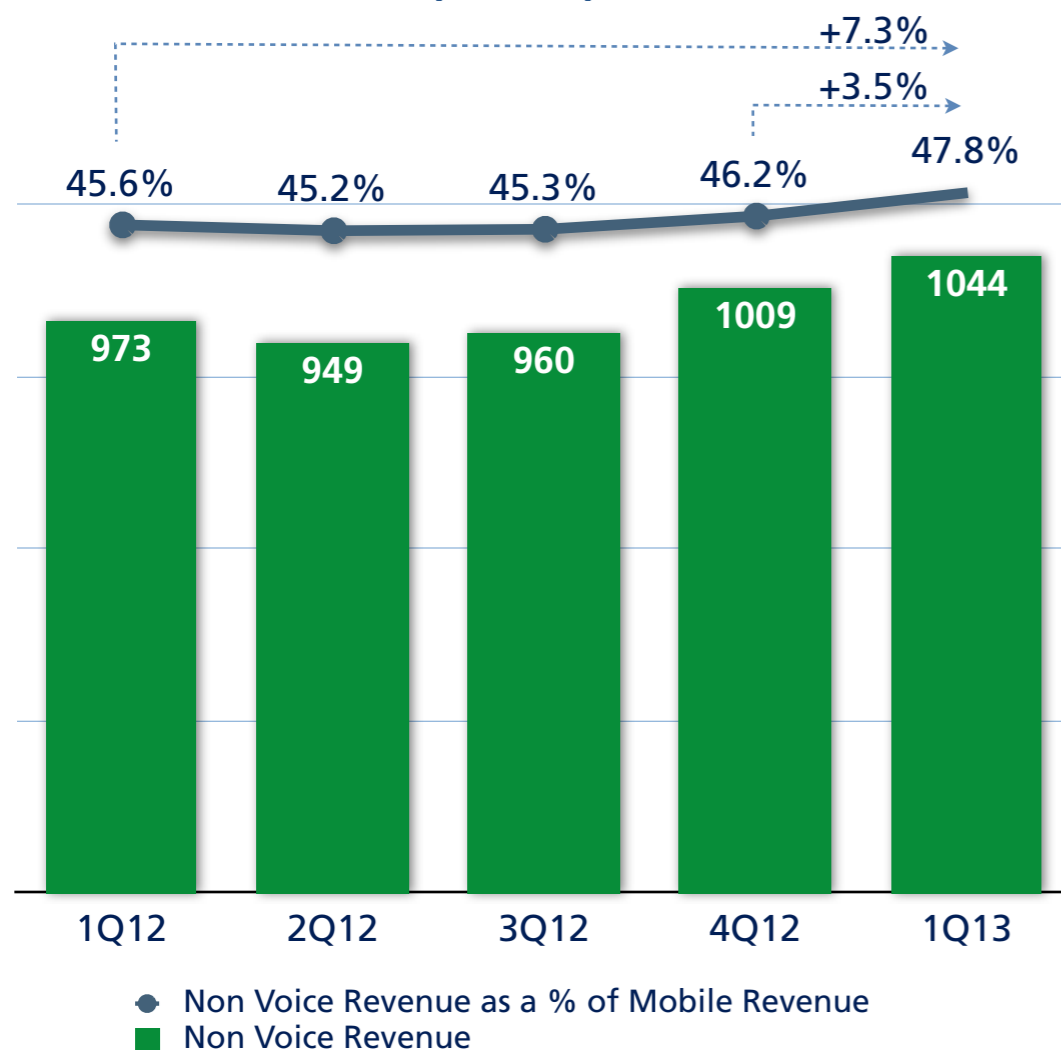


NON-VOICE REVENUE

Surpass RM1b with robust QoQ growth at 3.5%



Non-Voice Revenue* (RM mn)



* Non-voice revenue refers to non-voice mobile revenue

Continued strong non-voice growth

+3.5% QoQ growth; +7.3% YoY growth

Continuous seeding of latest smart devices driving higher mobile internet usage

1Q13 non-voice contribution at 47.8% of mobile revenue:

	1Q13	4Q12
Mobile internet / VAS	21.4%	21.0%
SMS	14.6%	15.7%
WBB	6.2%	6.0%
Devices	5.6%	3.5%

+8.5% rise in internet & data revenue (non-SMS) in 1Q13; now at 69% of non-voice revenue

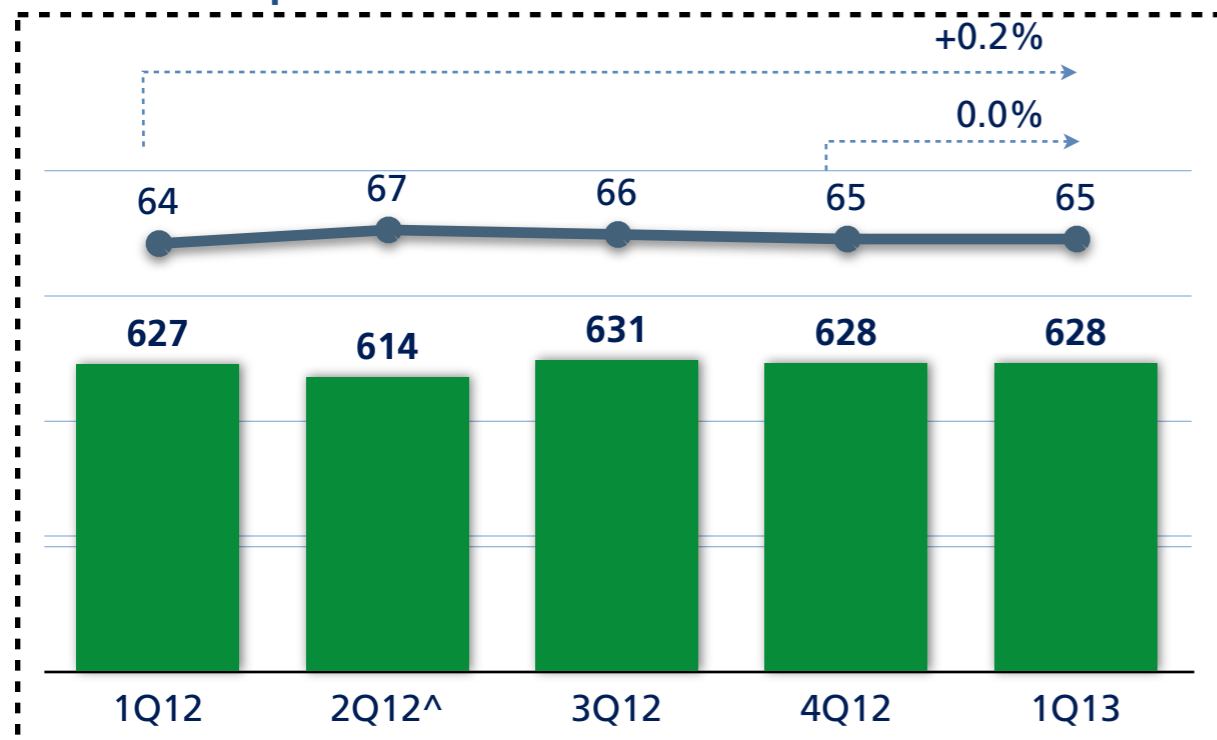
WIRELESS BROADBAND

Initiatives underway to reinvigorate segment



WBB Subscriptions & ARPU

RGS



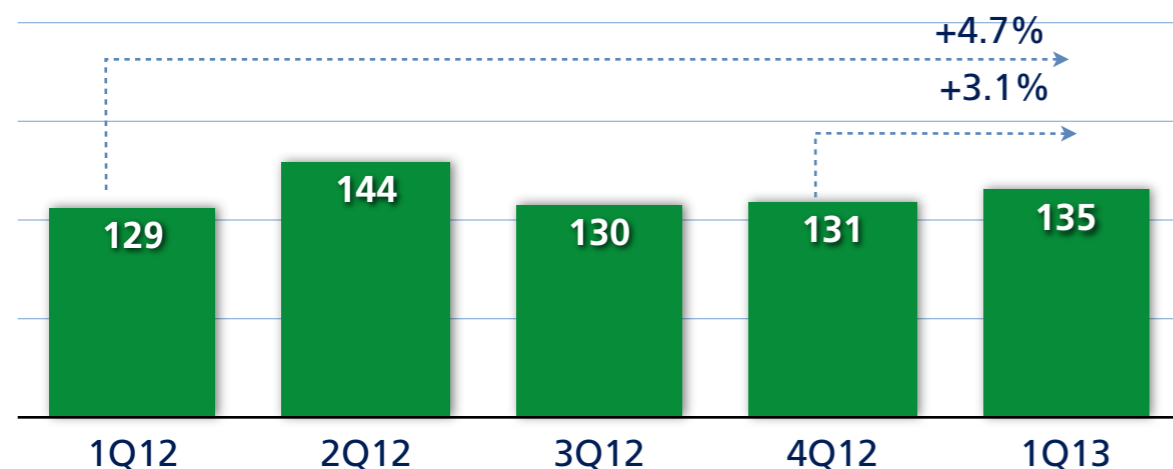
● WBB ARPU (RM)

■ WBB Subs ('000s)

[^] Normalised WBB ARPU as Reported WBB ARPU included one-off adjustments

WBB subscriptions include subscriptions on postpaid data plans using USB, WiFi, FWBB modems and tablets

WBB Revenue (RM mn)

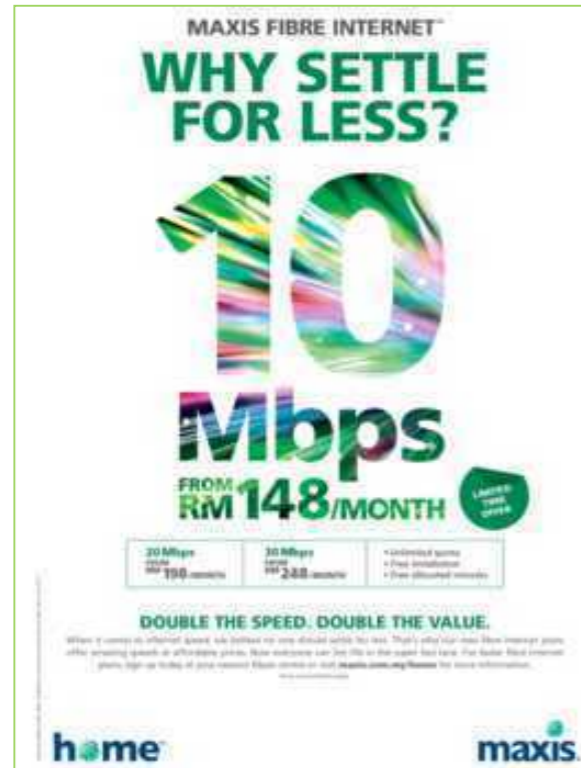


WBB revenue grew +3.1% QoQ; driven by strong FWBB (Home Wireless Internet) and prepaid WBB performance

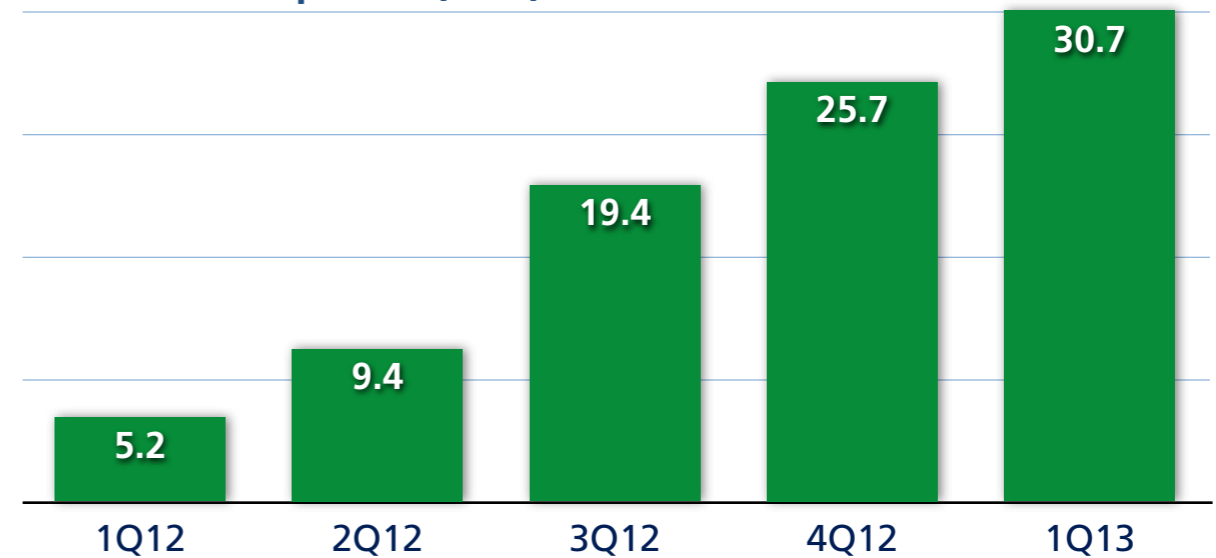
FWBB subscriptions increased to 54k as at end 1Q13

HOME SEGMENT

Steady growth in fibre subscriptions; more to come



Home Subscriptions ('000)

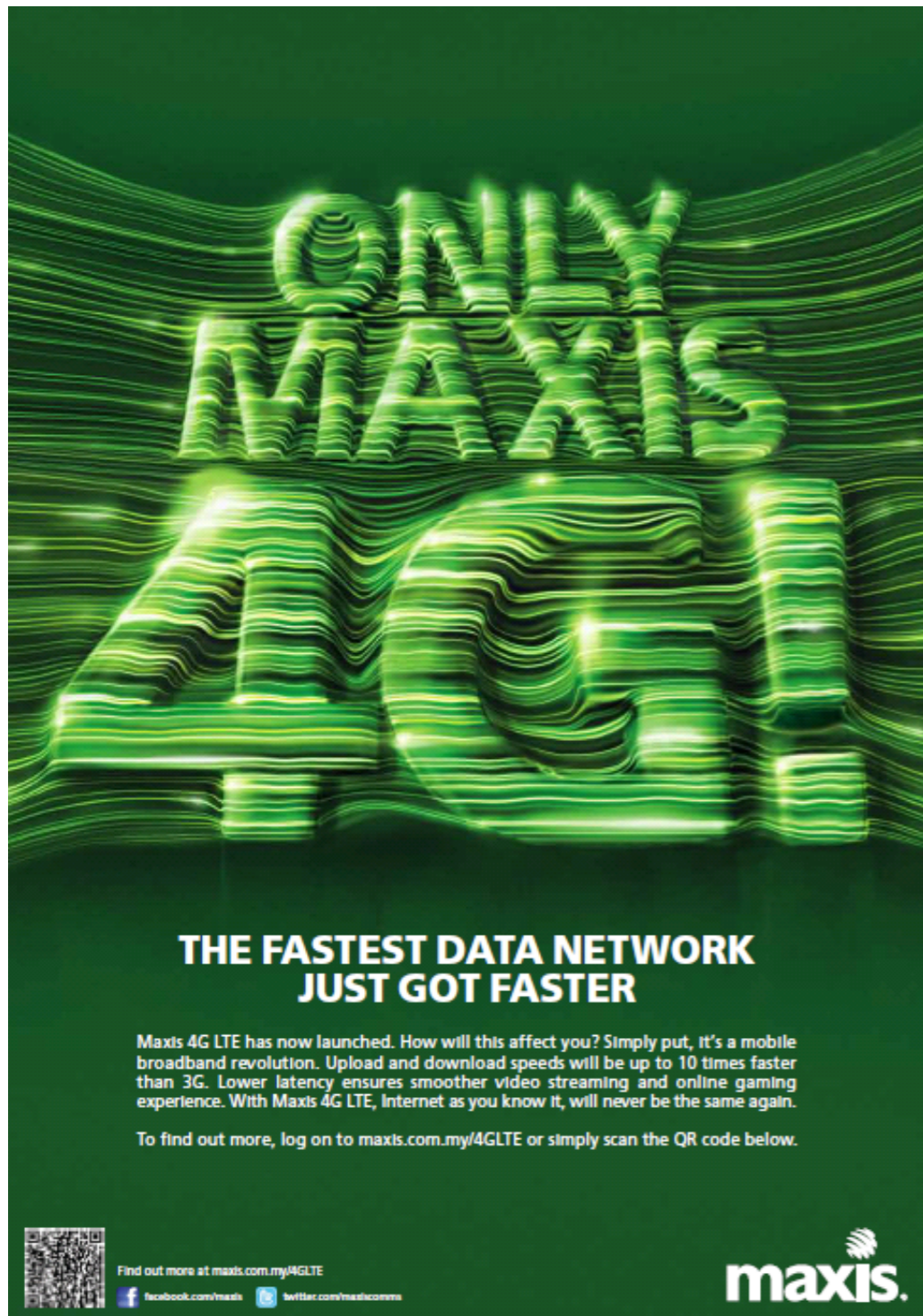


Steady growth in subscriptions to 30.7k home connected as at end 1Q13

Next wave of growth expected with the launch of the IPTV proposition with Astro

INVESTING IN FUTURE DATA REVENUE

The first 4G LTE network




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Continued investment in future data revenue

First to launch 4G LTE in Malaysia on 1 January 2013

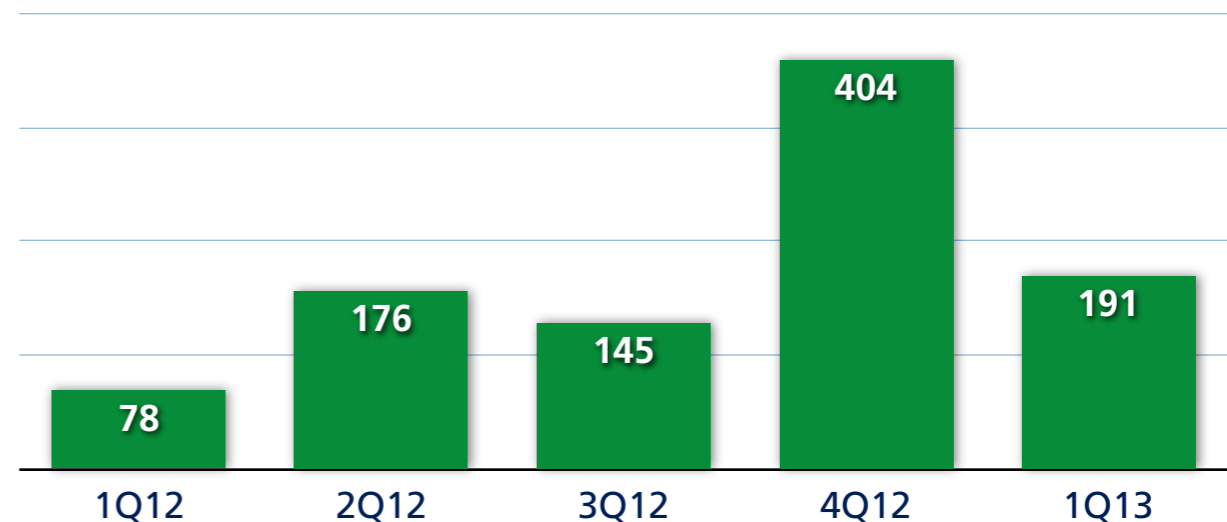
First and only 4G LTE on Apple devices

Accelerating 3G HSPA+ coverage and enlarging 4G LTE footprint

Increased 3G HSPA+ sites to 5,346 sites; of which 3,922 are capable of up to 42MBps

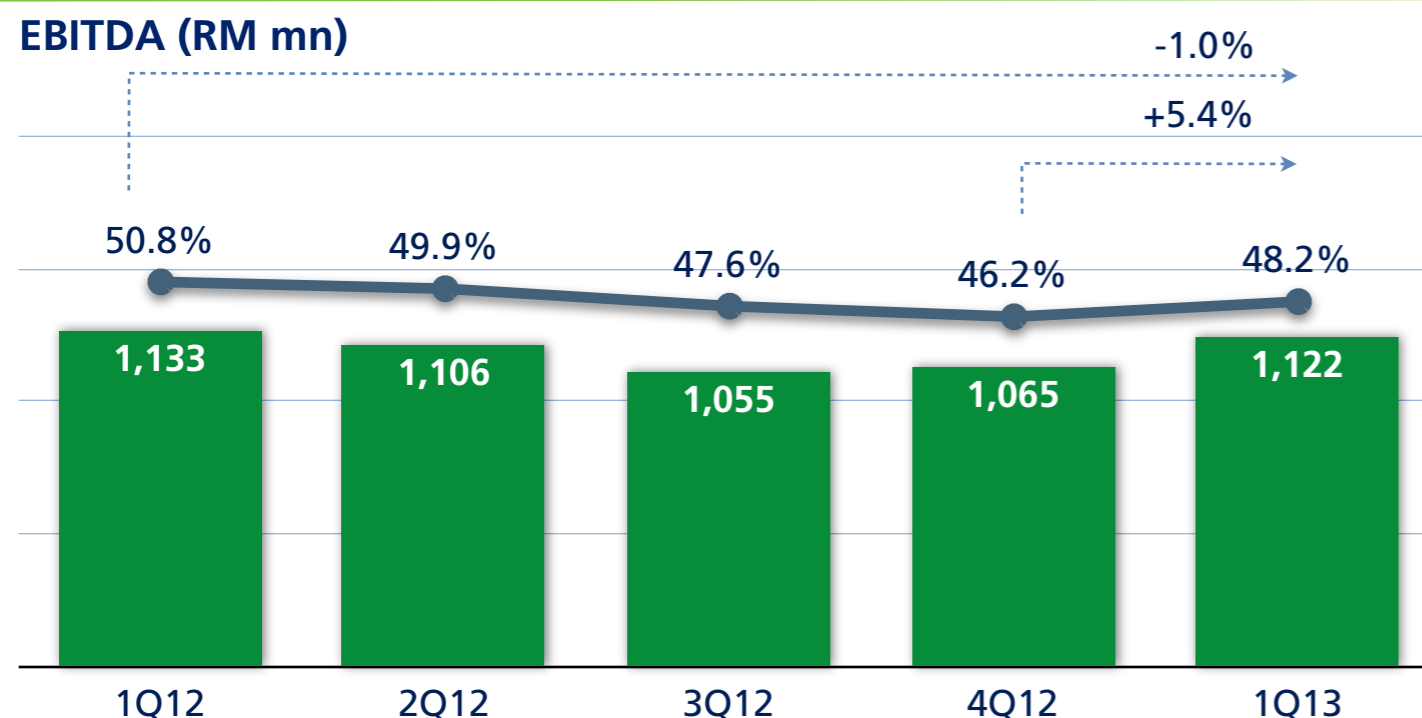
Network modernisation ongoing

Capex (RM mn)



EBITDA

1Q13 margin at 48.2%

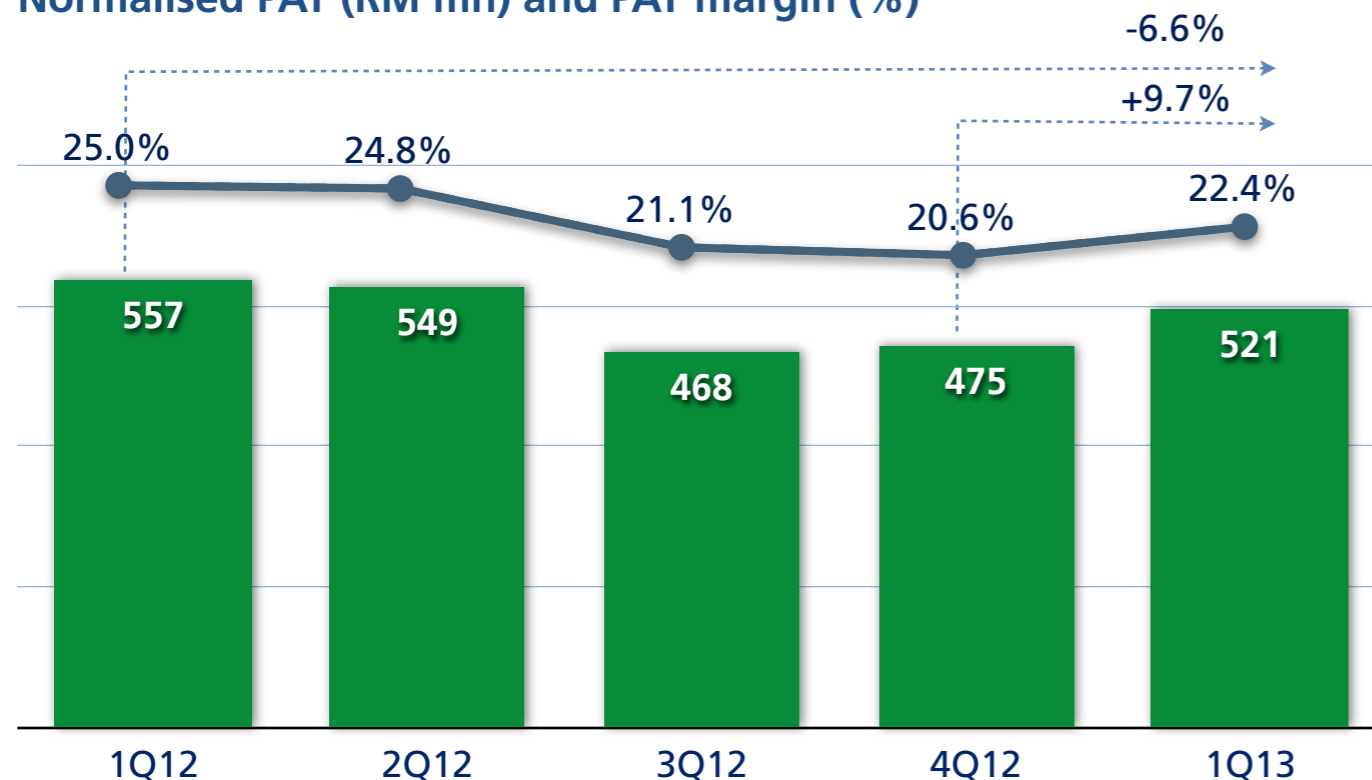


1Q13 EBITDA margin at 48.2%; reflecting continuous cost discipline

COST STRUCTURE

% of Revenue	1Q12	2Q12	3Q12	4Q12	1Q13
Direct Expenses	32.9%	32.3%	33.5%	35.3%	34.4%
Sales & Marketing	3.5%	4.8%	4.3%	4.6%	3.9%
Staff-Related Costs	5.5%	5.3%	5.7%	5.6%	5.8%
Bad Debts	1.2%	1.0%	1.0%	0.4%	0.9%
G&A and Others	6.1%	6.7%	7.9%	7.9%	6.8%
Total Expenses	49.2%	50.1%	52.4%	53.8%	51.8%
EBITDA Margin	50.8%	49.9%	47.6%	46.2%	48.2%
	100.0%	100.0%	100.0%	100.0%	100.0%

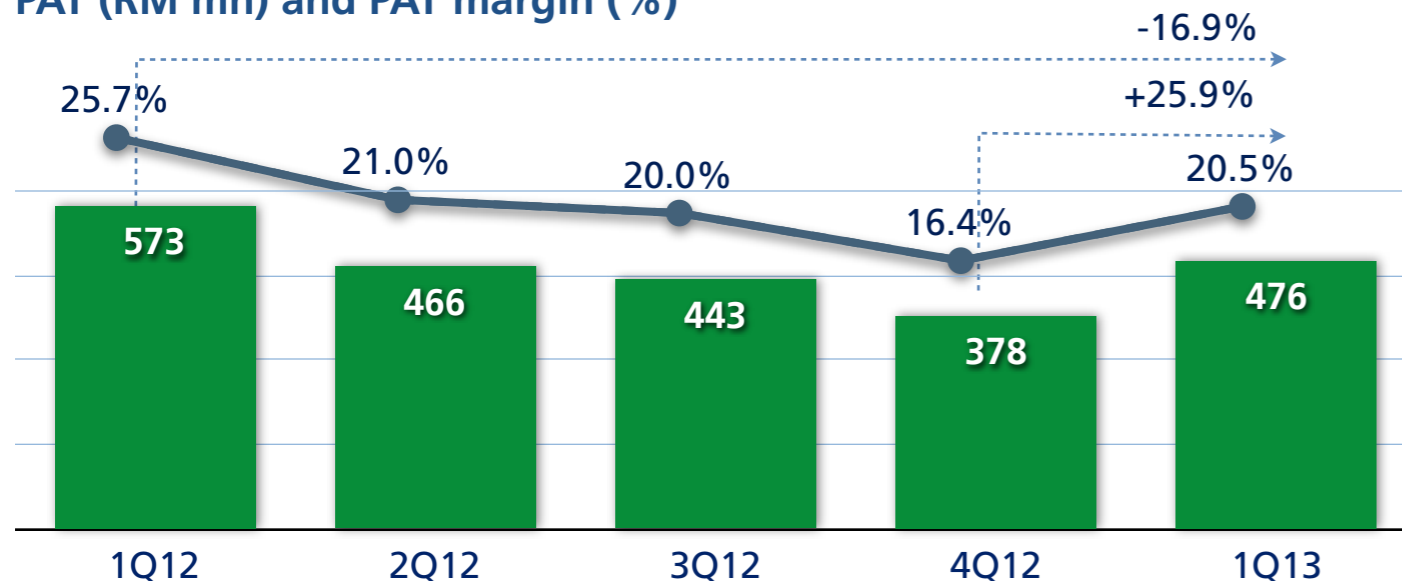
Normalised PAT (RM mn) and PAT margin (%)



Higher QoQ PAT on the back of higher EBITDA

PAT normalised for accelerated depreciation effect of RM60m this quarter (4Q12 accelerated depreciation of RM126m including change in useful life)

PAT (RM mn) and PAT margin (%)



CASH FLOWS

Strong cash flow



RM mn	1Q12	2Q12	3Q12	4Q12	1Q13
Cash flow from operating activities	788	755	1,018	860	727
Cash flow used in investing activities	(132)	(253)	(219)	(386)	(192)
Purchase of property, plant & equipment	(77)	(181)	(143)	(317)	(115)
Purchase of intangible assets	(55)	(72)	(76)	(69)	(77)
Cash flow before financing activities	656	502	799	474	535
Cash flow used in financing activities	322	(1,255)	(713)	(656)	(715)
Dividends paid	(600)	(1,200)	(600)	(600)	(600)
Debt drawdown	2,450	-	-	-	-
Debt repayment	(1,450)	-	-	-	-
Payment of finance costs	(75)	(53)	(115)	(56)	(115)
Others	(3)	(2)	2	-	-
Net change in cash	978	(753)	86	(182)	(180)
Opening Cash Balance	838	1,816	1,063	1,149	967
Closing Cash Balance	1,816	1,063	1,149	967	787

RM mn	4Q12	1Q13
Gearing Level		
Debt #	7,311	7,343
Cash	967	787
Net debt	6,344	6,556
Total equity	7,057	6,949

Ratios

Net debt to EBITDA *	1.44x	1.46x
Net debt to Equity	0.90x	0.94x

Incl. derivative financial instruments for hedging

* YTD13 annualised

First interim dividend of RM600m (8 sen per share)

CONTINUING LEADERSHIP PROMISING FUTURE



Market initiatives delivering results

1Q13 revenue up 0.9% QoQ; +4.4% YoY

EBITDA margin at 48.2%

Non-voice revenue at 47.8%

Continued investment in future data revenue

First 4G LTE network and first 4G LTE on Apple devices


Network modernisation ongoing

Integrated strategy on track

Astro IPTV bundles launched

Continuous seeding of smart device

Continued focus on cash flows with
commitment to dividends




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APPENDIX

Consolidated Income Statement



RM mn	4Q12	1Q13	QoQ chg	YTD12	YTD13	YoY chg
REVENUE	2,306	2,327	+0.9%	2,229	2,327	+4.4%
Direct Expenses	(813)	(801)		(734)	(801)	
Indirect Expenses	(428)	(404)		(362)	(404)	
Total Opex	(1,241)	(1,205)		(1,096)	(1,205)	
EBITDA	1,065	1,122	+5.4%	1,133	1,122	-1.0%
Margin	46.2%	48.2%		50.8%	48.2%	
Depreciation	(390)	(313)		(258)	(313)	
Amortisation	(47)	(57)		(37)	(57)	
Others	(4)	(7)		0	(7)	
EBIT	624	745		838	745	
Interest Expense	(88)	(88)		(82)	(88)	
Interest Income	11	9		11	9	
PBT	547	666		767	666	
Tax	(169)	(190)		(194)	(190)	
PAT	378	476	+25.9%	573	476	-16.9%
Margin	16.4%	20.5%		25.7%	20.5%	