MAXIS BERHAD

1Q 2014 RESULTS

7 MAY 2014

1Q14 KEY HIGHLIGHTS

Q1 service revenue trend in-line with guidance

-3.4% service revenue

Better than expected margin trends

*53.0% EBITDA margin on service revenue**

50.6% EBITDA margin

Widest high-speed network footprint

Extensive network modernisation

Focused 4G LTE coverage expansion

Dividend declared

RM600 million or 8 sen per share

** Service Revenue defined as Group revenue excluding Device and Hubbing revenues (Mobile + Fixed Enterprise + Home + International Gateway)*

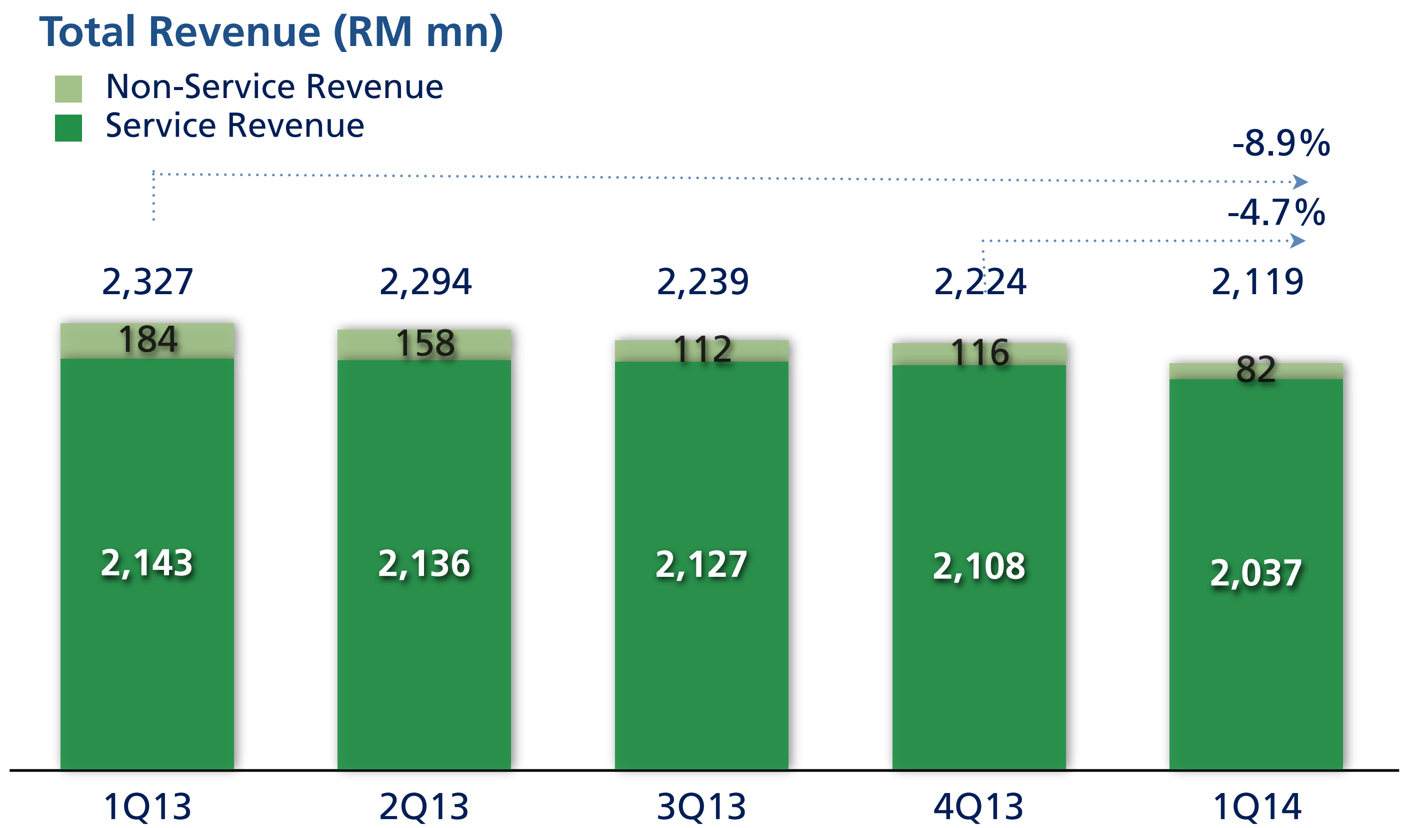
1Q14 KEY NUMBERS

RM mn	1Q13	4Q13	1Q14	Growth QoQ	Growth YoY
Total Revenue	2,327	2,224	2,119	-4.7%	-8.9%
Service Revenue	2,143	2,108	2,037	-3.4%	-4.9%
Non-Service Revenue	184	116	82	-29.3%	-55.4%
EBITDA[1]	1,122	1,081	1,073	- 0.7%	-4.4%
EBITDA[1] Margin on TotRev	48.2%	48.6%	50.6%	+2.0pp	+2.4pp
EBITDA[1] Margin on SerRev	53.0%	51.7%	53.0%	+1.3pp	0.0pp
PAT[2]	521	466	517	+10.9%	- 0.8%
PAT[2] Margin	22.4%	21.0%	24.4%	+3.4pp	+2.0pp

1- EBITDA normalised for Career Transition Scheme (CTS) costs totaling RM41m in 4Q13, content cost written off of RM4m in 4Q13 arising from impairment assessment exercise carried out by the Group and provision for contract obligations of RM65m in 4Q13.
2- PAT normalised for net CTS costs of RM31m in 4Q13, accelerated depreciation and change in estimated asset useful lives of RM45m in 1Q13 and RM29m in 4Q13 and 1Q14 respectively, provision for contract obligations of RM49m in 4Q13 and write-down of assets of RM65m in 4Q13.

Service Revenue defined as Group revenue excluding Device and Hubbing revenues (Mobile + Fixed Enterprise + Home + International Gateway)
Non-Service Revenue defined as Device + Hubbing revenues.
EBITDA Margin on SerRev - EBITDA used in this calculation has been adjusted for costs related solely to the provision of service revenue defined above.

REVENUE



RM mn	1Q13	2Q13	3Q13	4Q13	1Q14	Growth QoQ	Growth YoY
Mobile*	2,066	2,062	2,051	2,024	1,953	-3.5%	-5.5%
Enterprise Fixed	63	58	58	61	59	-3.3%	-6.3%
Home	14	16	18	23	25	+8.7%	+78.6%
Service Revenue	2,143	2,136	2,127	2,108	2,037	-3.4%	-4.9%
Non-Service Revenue	184	158	112	116	82	-29.3%	-55.4%
Total Revenue	2,327	2,294	2,239	2,224	2,119	-4.7%	-8.9%

Service revenue trends in-line with guidance

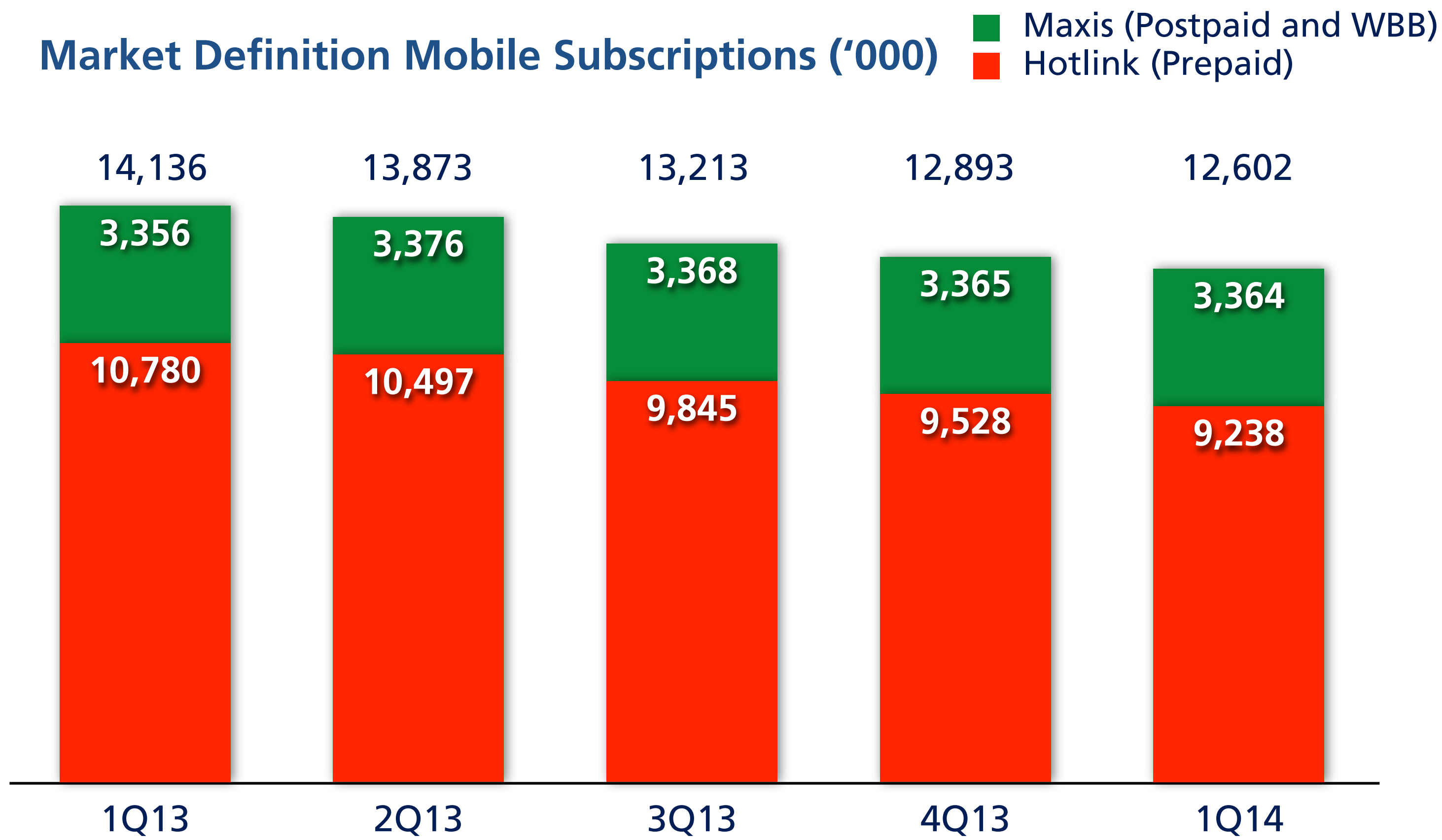
Mobile revenue impacted by:

- **Intentional elimination of non-sustainable revenue relating to pay per use charges on data roaming & prepaid data**
- **Lower voice & SMS usage**
  - ***added Activ10 to #Hotlink to stimulate voice & SMS usage***

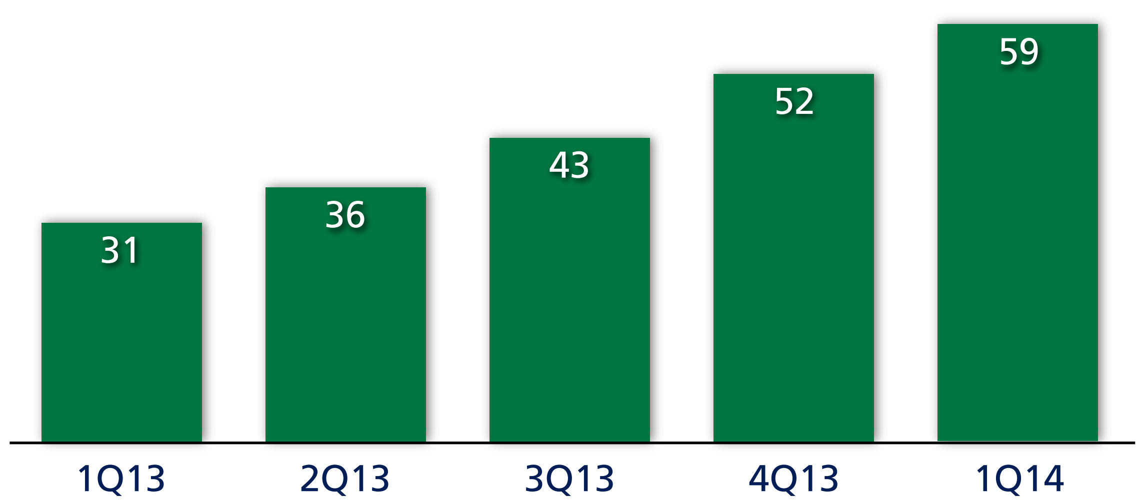
** Mobile revenue includes revenue from International Gateway and excludes Device and Hubbing revenues. All quarterly figures have been adjusted retrospectively. Further details on pg.19.*

SUBSCRIPTIONS

Market Definition Mobile Subscriptions ('000)



Home Subscriptions ('000)



Prepaid base stabilizing; tail end of previous high churn

- Churn mainly from non-active & non-revenue generating Hotlink Youth Club SIM expiry & legacy plans

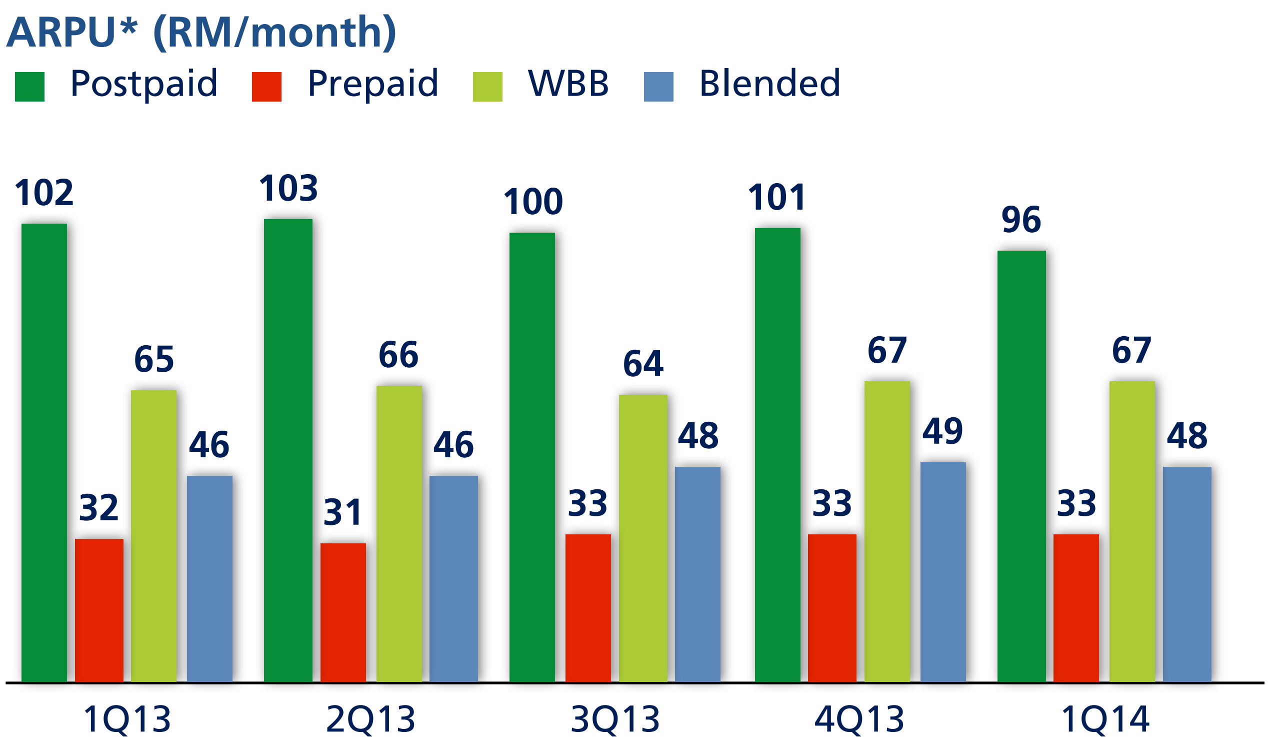
Postpaid base stable

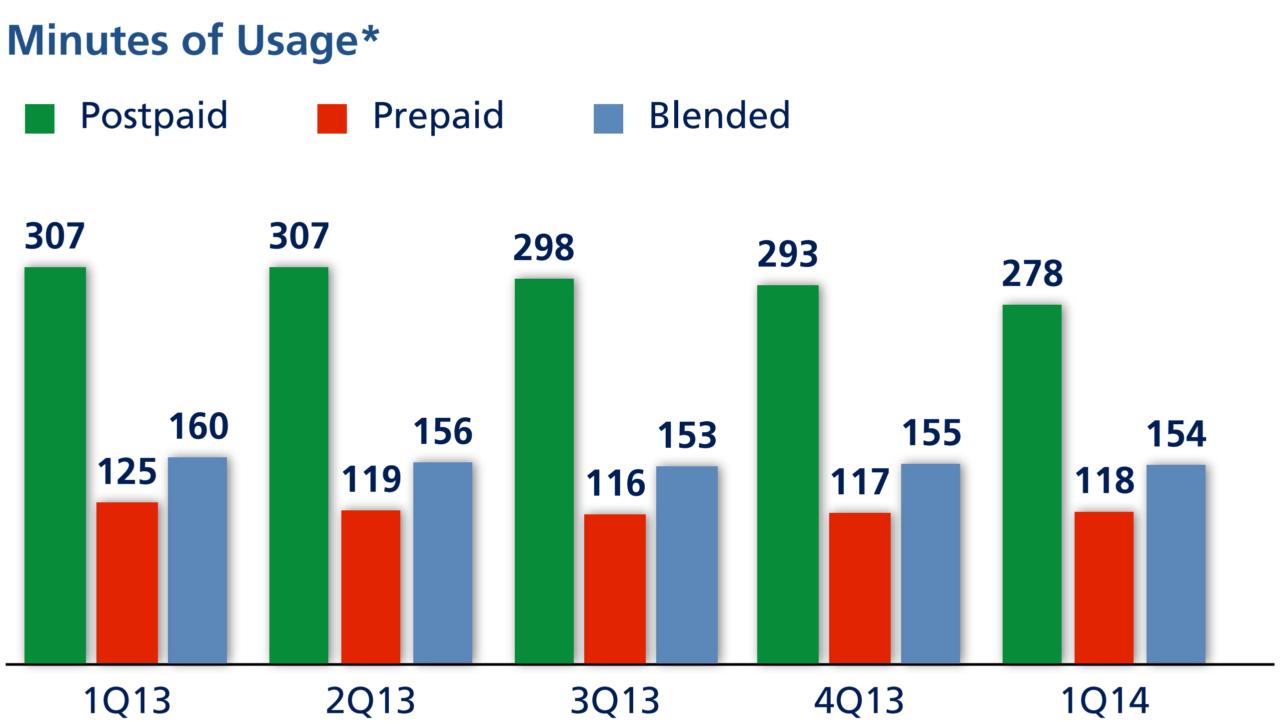
- Excluding WBB*, added 25k new customers QoQ
- WBB subscriptions at 570k

Home subscriptions is now at 59k homes connected

** WBB subscriptions are defined as subscriptions on data plans using USB modem and tablets - included as part of postpaid subscriptions*

ARPU & MOU





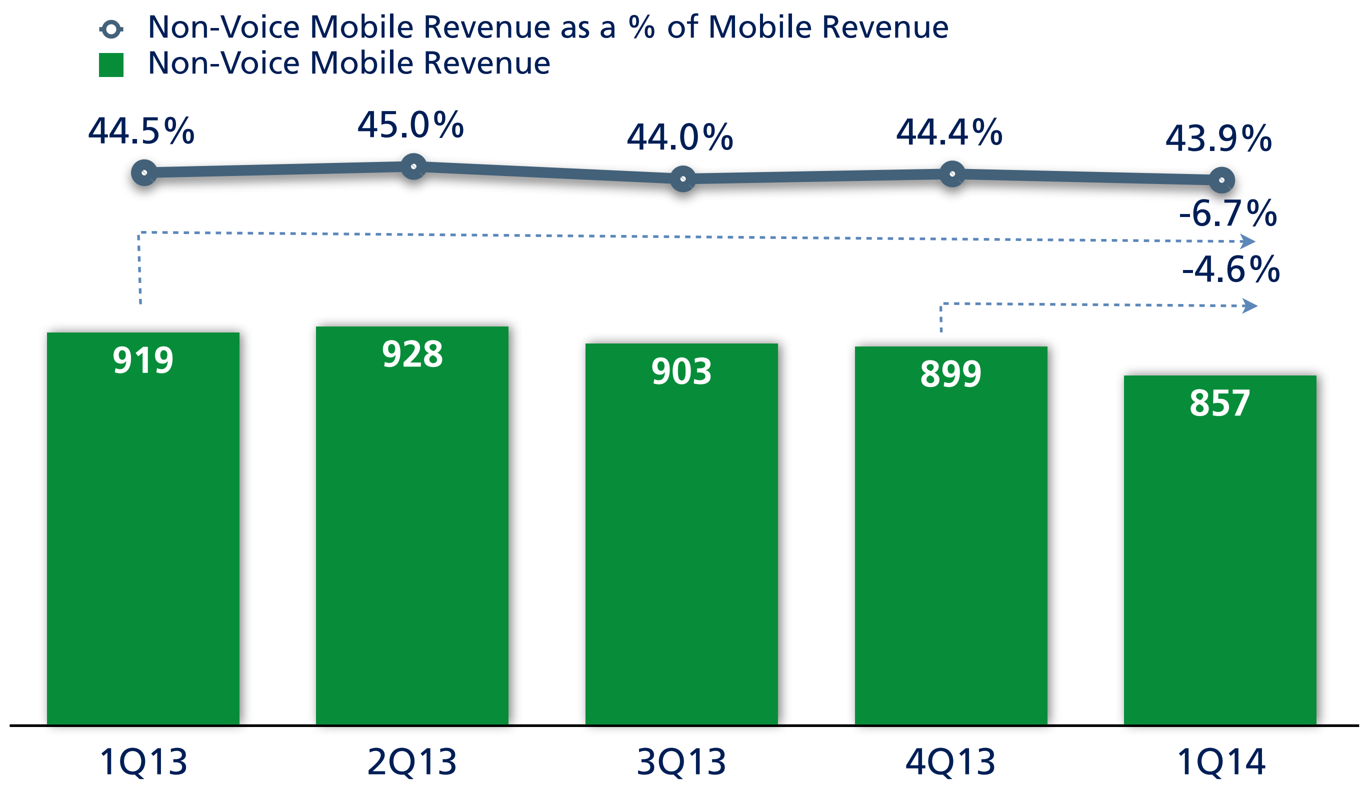
ARPU & MOU trends reflecting accelerating data usage

- Blended ARPU relatively stable
- Data substitution has higher impact on postpaid MOU

** Minutes of Usage (MOU): Maxis' on-net MOU is calculated based on outgoing calls only*

NON-VOICE MOBILE REVENUE

Non-Voice Mobile Revenue (RM mn)



Non-Voice Mobile Service Revenue Composition

(RM mn)	1Q13	2Q13	3Q13	4Q13	1Q14
Mobile Internet + VAS	466	495	506	524	524
Messaging	320	298	275	257	223
WBB	133	136	122	117	110
Non-Voice Mobile	919	928	903	899	857
Mobile Revenue	2,066	2,062	2,051	2,024	1,953

Mobile internet key contributor; opportunity to leverage on low and mid-tier internet users

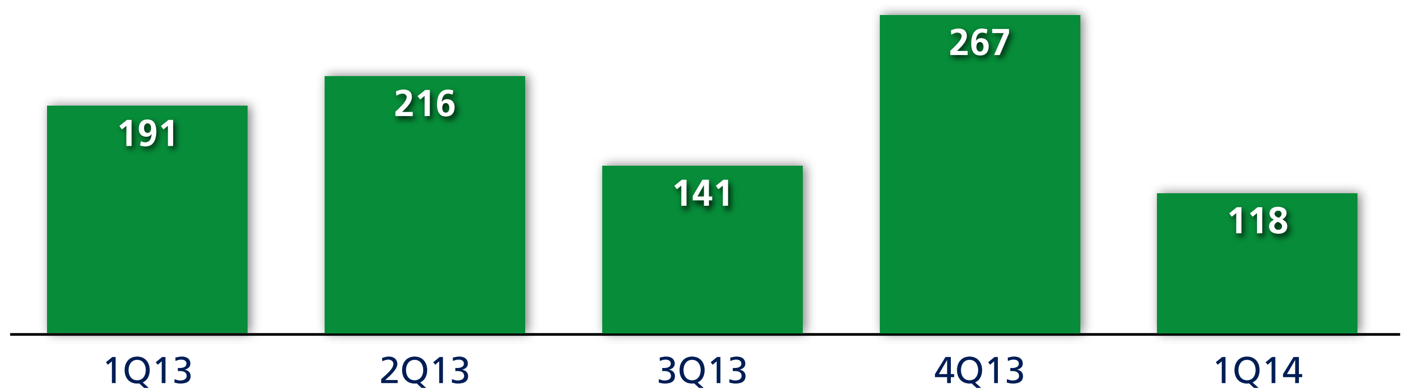
- +12.4% YoY growth in mobile internet/VAS revenue
- Accounts for 27% mobile revenue; 61% of non-voice mobile revenue
- Blended smart-phone penetration* at 43%

Messaging & WBB contributions continued to decline on the back of lower usage & alternative apps

** Please refer to pg. 19 for new definition of smart-phones & historical quarterly data points.*

NETWORK INVESTMENT

Capex (RM mn)



Enhancement of 2G & 3G infrastructure

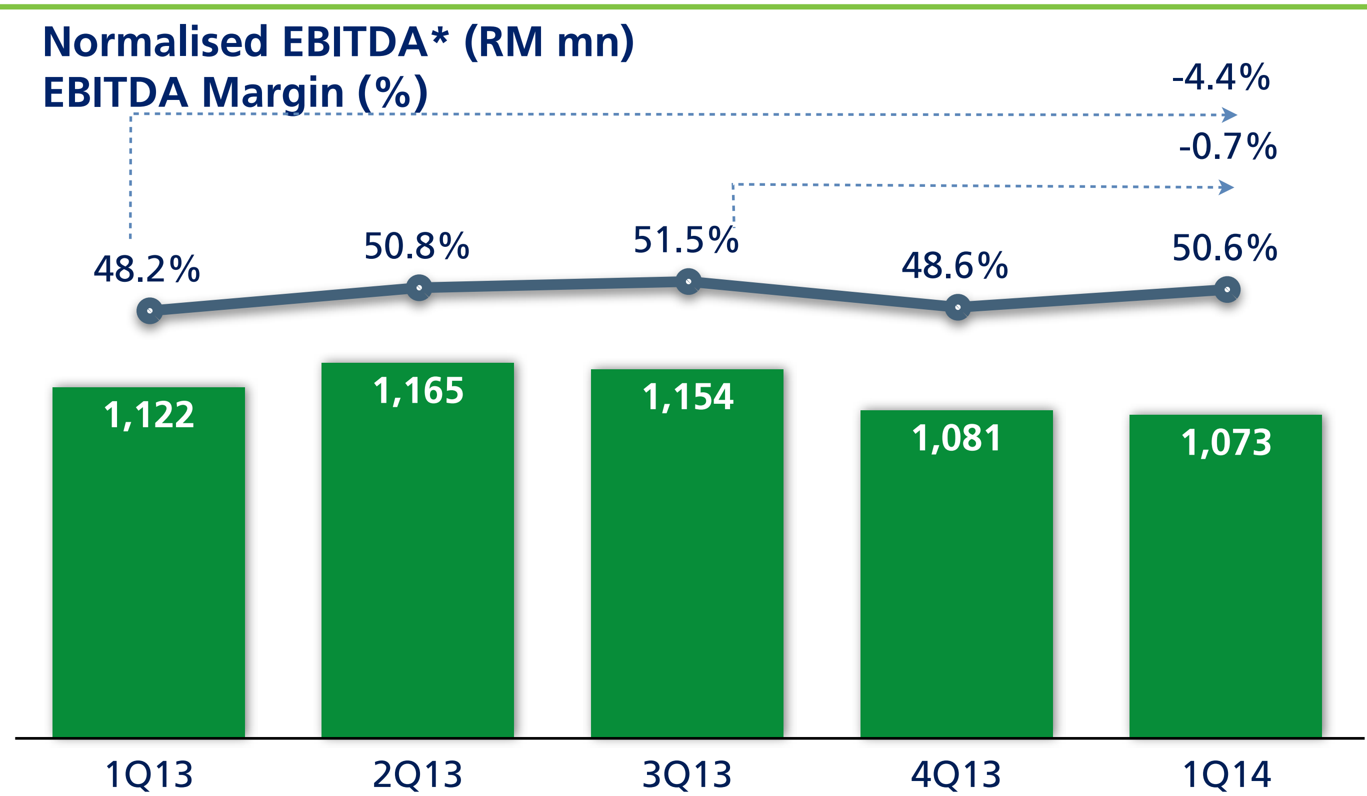
- 3G HSPA+ sites increased to almost 5,700 sites; of which more than 4,300 sites are capable of 42Mbps

Focused 4G LTE coverage expansion

- 17% pop coverage
- 667k LTE enabled devices

Capex spend 2014 -- supporting network modernisation & initiatives to deliver unmatched customer experience

EBITDA & MARGINS



Better than expected margin trends in Q1

- EBITDA margin at 50.6%
- EBITDA margin on service revenue at 53.0%

Low cost base driven by lower traffic & device related expenses and lower marketing spend

- Expects marketing spend to pick up in 2H
- Device related expenses will be lower against previous year

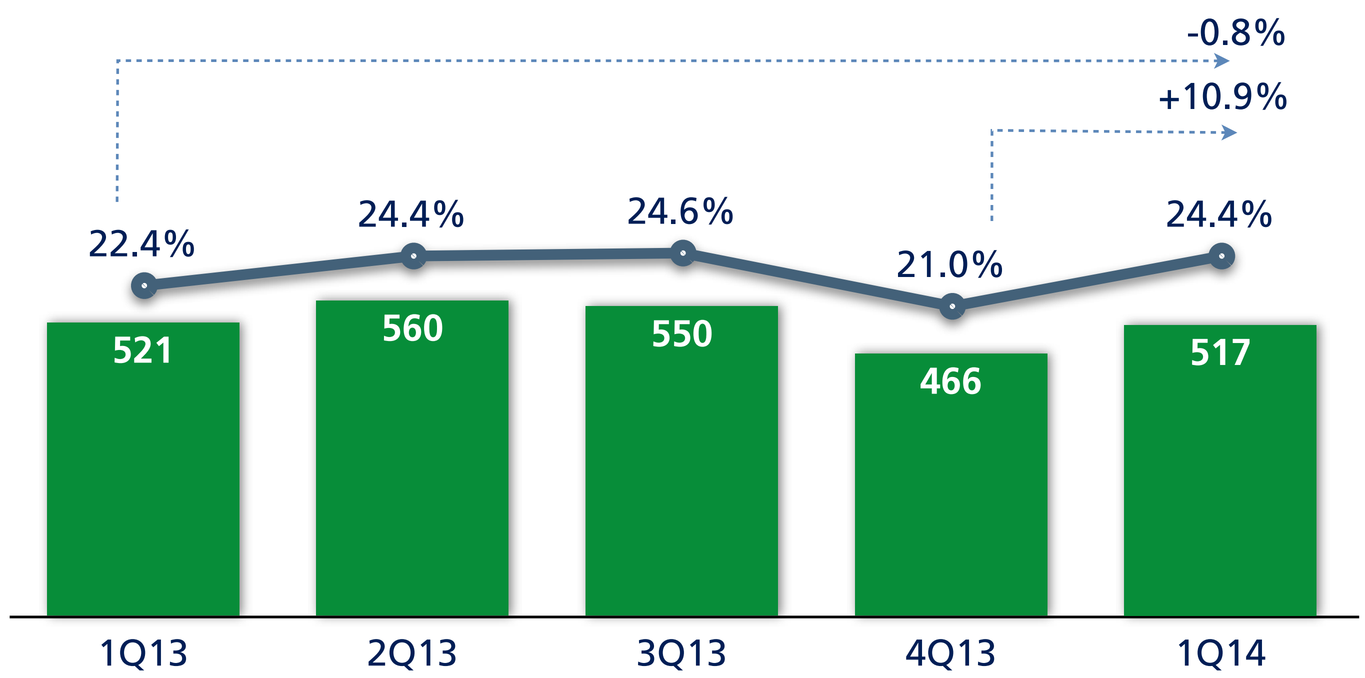
COST COMPOSITION (normalised*)

% of Revenue	1Q13	2Q13	3Q13	4Q13	1Q14
Direct Expenses	34.4%	34.3%	33.0%	34.1%	33.4%
Sales & Mktg	3.9%	3.4%	3.9%	4.8%	3.4%
Staff-Related Costs	5.8%	4.8%	5.2%	5.1%	5.5%
Bad Debts	0.9%	0.7%	0.4%	1.0%	0.6%
G&A and Others	6.8%	6.0%	6.0%	6.4%	6.5%
Total Expenses	**51.8%**	**49.2%**	**48.5%**	**51.4%**	49.4%
EBITDA Margin	**48.2%**	**50.8%**	**51.5%**	**48.6%**	50.6%
EBITDA Margin on Service Revenue#	**53.0%**	**54.4%**	**54.4%**	**51.7%**	53.0%

 # Normalised for one-off items in 3Q13 & 4Q13 amounting to RM102m & RM110m respectively.
** EBITDA Margin on SerRev - EBITDA used in this calculation has been adjusted for costs related solely to the provision of service revenue defined on pg.4.*

PROFIT AFTER TAX

Normalised PAT (RM mn)



PAT +10.9% QoQ or RM517m

- **Contributed by stable EBITDA and lower expenses related to PPE impairments/write-offs/ depreciation & tax charges**

** Normalised for one-off items after accounting for tax effects : RM45m in 1Q!3, RM30m in 2Q13, RM76m in 3Q13, RM174m in 4Q13 and RM29m in 1Q14.*

CASH FLOWS

RM mn	1Q13	2Q13	3Q13	4Q13	1Q14
Cash flow from operating activities	**727**	**1,189**	**908**	**653**	**447**
Cash flow used in investing activities	**(192)**	**(179)**	**(161)**	**(269)**	**(155)**
Purchase of property, plant & equipment	(115)	(121)	(90)	(208)	(100)
Purchase of intangible assets	(77)	(58)	(71)	(61)	(55)
Cash flow before financing activities	**535**	**1,010**	**747**	**384**	**292**
Cash flow used in financing activities	**(715)**	**(1,263)**	**(104)**	**(753)**	**(109)**
Dividends paid	600	(1,200)	-	(1,200)	-
Debt drawdown	-	-	-	500	-
Debt repayment	-	(4)	-	-	-
Payment of finance costs	(115)	(60)	(115)	(57)	(118)
Others	-	1	11	4	9
Net change in cash	**(180)**	**(253)**	**643**	**(369)**	**183**
Opening Cash Balance	967	787	534	1,177	808
Closing Cash Balance	**787**	**534**	**1,177**	**808**	**991**

RM mn

Gearing Level	**4Q13**	**1Q14**
Debt #	7,525	7,513
Cash	808	991
Net debt	6,717	6,522
Total equity	6,016	5,896

Ratios	**FY13**	**FY14***
Net debt to EBITDA	1.56x	1.52x
Net debt to Equity	1.12x	1.11x

 # Includes derivative financial instruments for hedging; excludes vendor financing
** FY14 net debt to EBITDA on annualised basis*

First interim dividend and of RM600 million (8 sen per share)

1Q14 - summary

Q1 service revenue trend in-line with guidance

-3.4% service revenue

Better than expected margin trends

*53.0% EBITDA margin on service revenue**

50.6% EBITDA margin

Widest high-speed network footprint

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** Service Revenue defined as Group revenue excluding Device and Hubbing revenues (Mobile + Fixed Enterprise + Home + International Gateway)*

FY2014 OUTLOOK

2014 “All about transformation & catching up”

Winning customers & strengthen competitiveness

Service revenue & absolute EBITDA (normalised) similar to FY2013

Capex spend to deliver best network experience & key IT initiatives

Internet is best on Maxis

- ***Capex spend ~RM1.1 billion***

thank you


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APPENDICES

Consolidated Income Statement

RM mn	(Reported) 4Q13	1Q14	QoQ chg	(Normalised) 4Q13	1Q14	QoQ chg
REVENUE	**2,224**	**2,119**	**-4.7%**	**2,224**	**2,119**	**-4.7%**
Direct Expenses	(763)	(707)		(759)	(707)	
Indirect Expenses	(490)	(339)		(384)	(339)	
Total Opex	(1,253)	(1,046)		(1,143)	(1,046)	
EBITDA	**971**	**1,073**	**+10.5%**	**1,081**	**1,073**	**-0.7%**
Margin	43.7%	50.6%		48.6%	50.6%	
Depreciation	(272)	(269)		(233)	(230)	
Amortisation	(81)	(63)		(68)	(63)	
Others	(103)	6		(33)	6	
EBIT	**515**	**747**		**747**	**786**	
Interest Expense	(93)	(96)		(93)	(96)	
Interest Income	6	6		6	6	
PBT	**428**	**657**		**660**	**696**	
Tax	(136)	(169)		(194)	(179)	
PAT	**292**	**488**	**+67.1%**	**466**	**517**	**+10.9%**
Margin	13.1%	23.0%		21.0%	24.4%	

Key Financial Data

KEY FINANCIAL DATA (Reported)

(RM'000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Total Revenue	2,229	2,216	2,216	2,306	2,327	2,294	2,239	2,224	2,119
- Direct Expenses	*734*	*716*	*743*	*813*	*1,127*	*678*	*631*	*654*	*707*
- Indirect Expenese	*362*	*394*	*418*	*428*	*404*	*342*	*449*	*490*	*339*
EBITDA	1,133	1,106	1,055	1,065	1,122	1,165	1,052	971	1,073
EBITDA Margin	50.8%	49.9%	47.6%	46.2%	48.2%	50.8%	47.0%	43.7%	50.6%
Profit Before Tax	767	630	632	547	666	735	667	428	657
Profit After Tax	573	466	443	378	476	530	474	292	488

KEY FINANCIAL DATA (Normalised)

(RM'000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Total Revenue	2,229	2,216	2,216	2,306	2,327	2,294	2,239	2,224	2,119
- Direct Expenses	*734*	*716*	*743*	*813*	*801*	*787*	*739*	*759*	*707*
- Indirect Expenese	*362*	*394*	*418*	*428*	*404*	*342*	*346*	*384*	*339*
EBITDA	1,133	1,106	1,055	1,065	1,122	1,165	1,154	1,081	1,073
EBITDA Margin	50.8%	49.9%	47.6%	46.2%	48.2%	50.8%	51.5%	48.6%	50.6%
Profit Before Tax	770	754	673	675	726	775	769	661	696
Profit After Tax	558	548	468	475	521	560	550	466	517

Key Operational Data

KEY OPERATIONAL DATA

('000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Mobile Subscriptions	13,830	13,827	13,930	14,091	14,136	13,873	13,213	12,893	12,602
- *Prepaid subscriptions*	10,445	10,515	10,612	10,770	10,780	10,497	9,845	9,528	9,238
- *Postpaid subscriptions*	3,385	3,312	3,318	3,321	3,356	3,376	3,368	3,365	3,364
- *WBB subscriptions*[1]	708	687	710	679	673	663	636	596	570

(RM'000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Total Revenue	2,229	2,216	2,216	2,306	2,327	2,294	2,239	2,224	2,119
Service Revenue[2]	2,098	2,137	2,128	2,177	2,143	2,136	2,127	2,108	2,037
- *Mobile Revenue*[3]	2,048	2,081	2,070	2,114	2,066	2,062	2,050	2,024	1,953
- *Enterprise Fixed*	45	50	53	55	63	58	58	61	59
- *Home*	5	6	9	11	14	16	19	23	25
Non-Service Revenue[4]	131	79	88	129	184	158	112	116	82
- *Device*	96	30	62	80	125	95	43	56	40
- *Hubbing*	35	49	26	49	59	63	69	60	42

(RM'000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Mobile Revenue	2,048	2,081	2,070	2,114	2,066	2,062	2,050	2,024	1,953
- *Voice*	1,172	1,162	1,171	1,185	1,147	1,134	1,147	1,126	1,096
- *Data*	876	919	899	929	919	928	903	898	857

(RM'000)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Data Revenue or Non-Voice Mobile Rev	876	919	899	929	919	928	903	898	857
- *Mobile Internet + VAS*	383	421	419	460	466	495	506	524	524
- *Messaging*	365	355	355	342	320	298	275	257	223
- *WBB*	128	143	125	127	133	136	122	117	110

Smart-phone Penetration (%)[5]	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
Blended	na	na	na	na	25	29	33	38	43
- *Prepaid*	na	na	na	na	20	23	27	32	38
- *Postpaid*	na	na	na	na	49	53	56	59	61

1. WBB subscriptions - defined as subscriptions on postpaid data plans using USB modems & tablets; included as part of postpaid subscriptions

2. Service Revenue - defined as Mobile (net of device revenues) + Enterprise Fixed + Home + International Gateway (excluding Hubbing)

3. Mobile Revenue - defined as pure service revenue (net of device revenue) and includes International Gateway

4. Non-Service Revenue - defined as Device Revenue + Hubbing

5. Smartphone definition - any devices with growing app stores and active developers