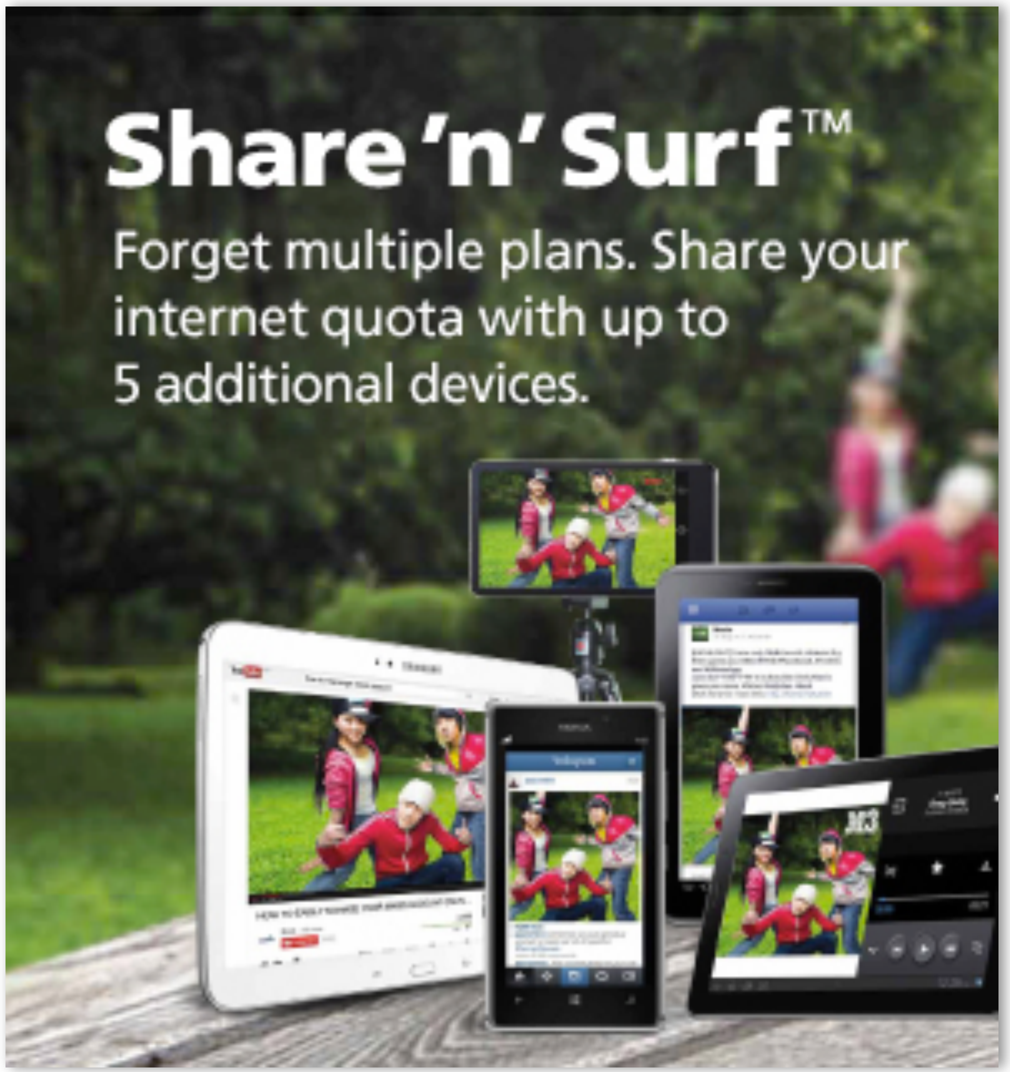
MAXIS BERHAD

3Q 2013 RESULTS

12 NOVEMBER 2013

maxis

YTD SEPT13 KEY HIGHLIGHTS



Stable revenue base; non-voice key contributor

- +3.0% total revenue
- +1.9% service revenue*
- +4.5% EBITDA excluding CTS# costs
- +14.6% non-SMS internet & data revenue
  - *Non-voice revenue at 46.9% of mobile revenue*

Continuous investment in future data revenue

- Widest 4G LTE coverage footprint & device offerings
- Further expansion & enhancements of 3G infrastructure

Dividend declared

- Third interim dividend of 8 sen/share

** Service revenue defined as total revenue less device revenue*
 # CTS defined as Career Transition Scheme offered by Maxis as part of its recent reorganisation (one-time impact in 3Q13 & YTD13)

3Q13 & YTD13 KEY NUMBERS

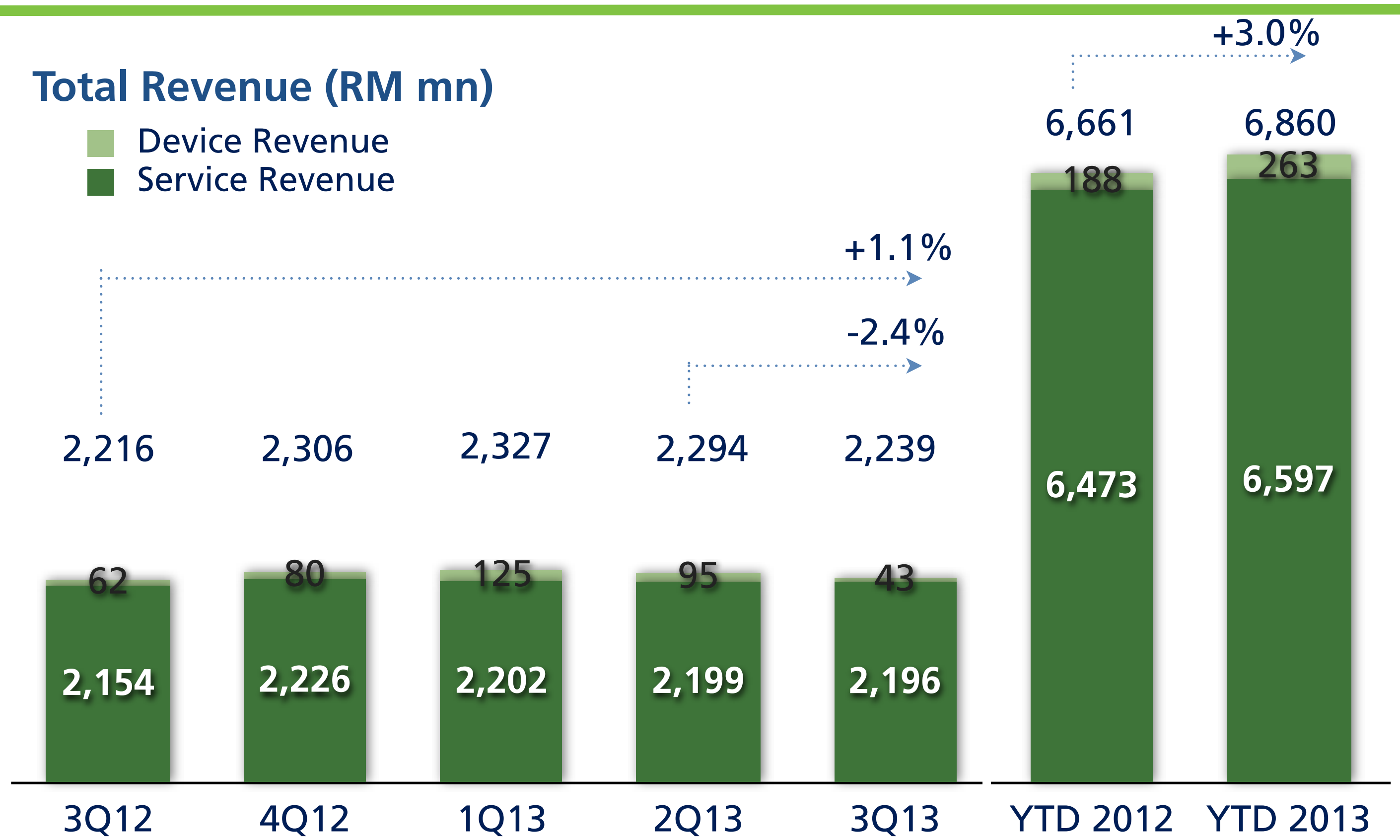
RM mn

	2Q13	3Q13	Growth QoQ	YTD12	YTD13	Growth YTD
Total Revenue	2,294	2,239	-2.4%	6,661	6,860	+3.0%
Service Revenue	2,199	2,196	-0.1%	6,473	6,597	+1.9%
EBITDA#	1,165	1,154	-0.9%	3,294	3,441	+4.5%
EBITDA Margin#	50.8%	51.5%	+0.7pp	49.5%	50.2%	+0.7pp
PAT*	560	550	-1.8%	1570	1,631	+3.9%
Normalised PAT Margin	24.4%	24.6%	+0.2pp	23.6%	23.8%	+0.2pp

 # EBITDA normalised for one-time Career Transition Scheme (CTS) costs totaling RM102m in 3Q13 and YTD13
** PAT normalised for net CTS costs of RM76m in 3Q13 and YTD13, accelerated depreciation of RM30m, RM75m and RM27m in 2Q13, YTD13 and YTD12 respectively, PPE write-off of RM97m in YTD12 and last mile broadband tax incentive of RM32m in YTD12*

REVENUE

Grew YTD revenue across all business segments



RM mn	3Q12	4Q12	1Q13	2Q13	3Q13	Growth QoQ	Growth YTD
Mobile	2,120	2,183	2,184	2,151	2,086	-3.0%	+1.1%
Enterprise Fixed	53	55	63	58	58	0.0%	+20.9%
Home	9	11	14	16	18	+12.5%	>100%
International Gateway	34	57	66	69	77	+11.6%	+52.5%
Total Revenue	2,216	2,306	2,327	2,294	2,239	-2.4%	+3.0%
Service Revenue*	2,154	2,226	2,202	2,199	2,196	-0.1%	+1.9%

Service revenue +1.9% YTD

- **Strong mobile internet growth offset voice and messaging decline**
- **+14.6% non-SMS mobile internet and data revenue**

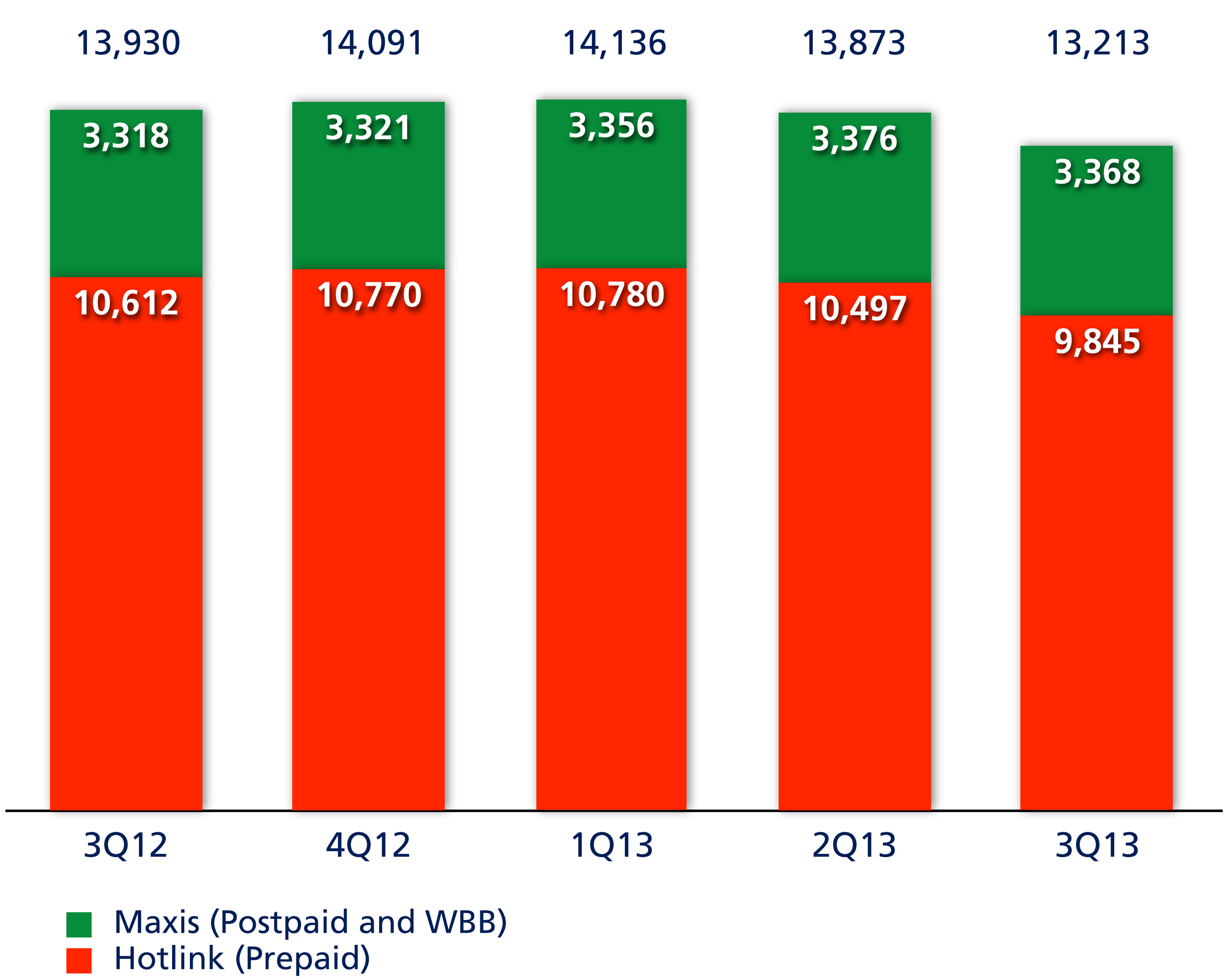
Non-voice continued to be primary revenue contributor

- **YTD contribution at 46.9% of mobile revenue (YTD12: 45.4%)**

** Service revenue defined as total revenue less device revenue*

MOBILE SUBSCRIPTIONS
Impacted by high churn on legacy plans

Market Definition Mobile Subscriptions ('000)



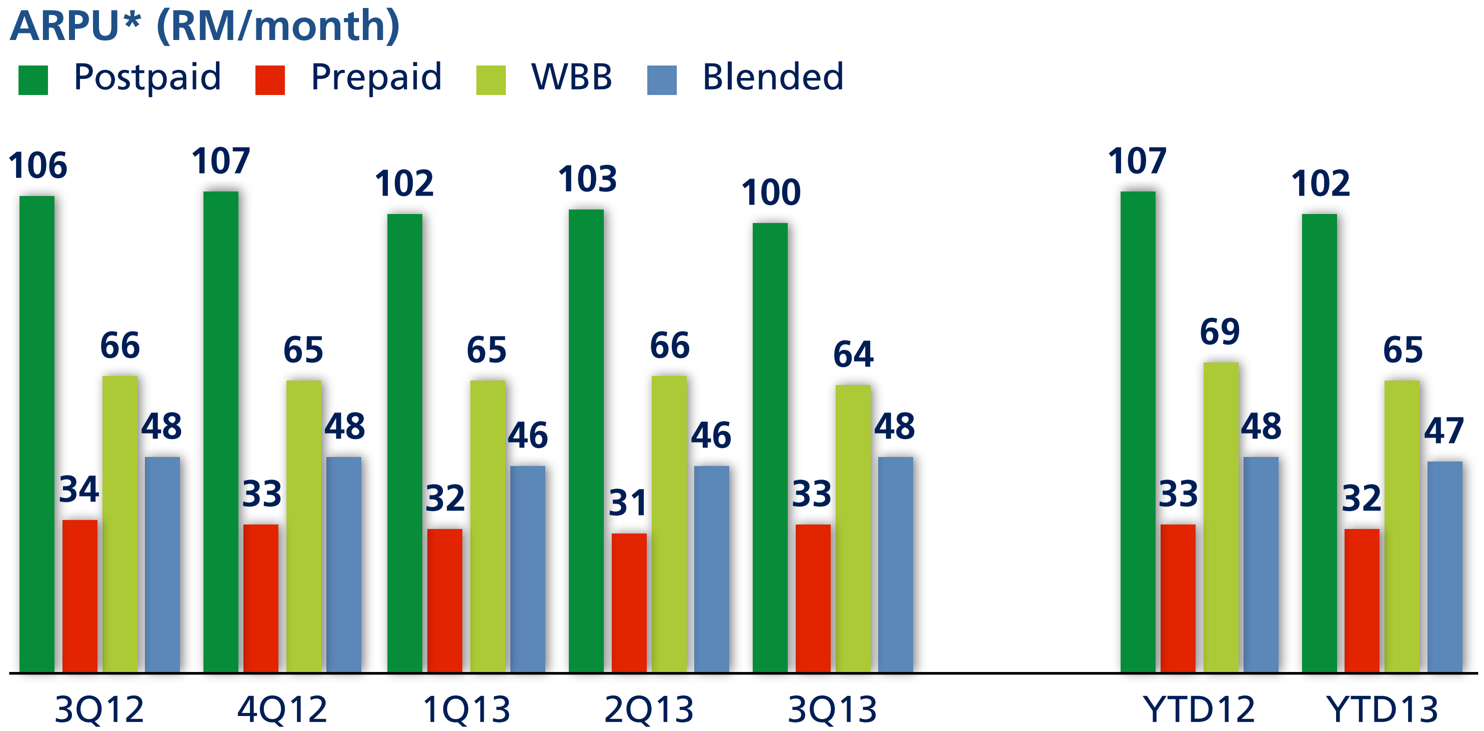
High prepaid churn from Hotlink Youth Club SIM expiry & legacy plans

- Mainly non-active non-revenue generating SIMs

Postpaid base excluding WBB grew by 19k QoQ

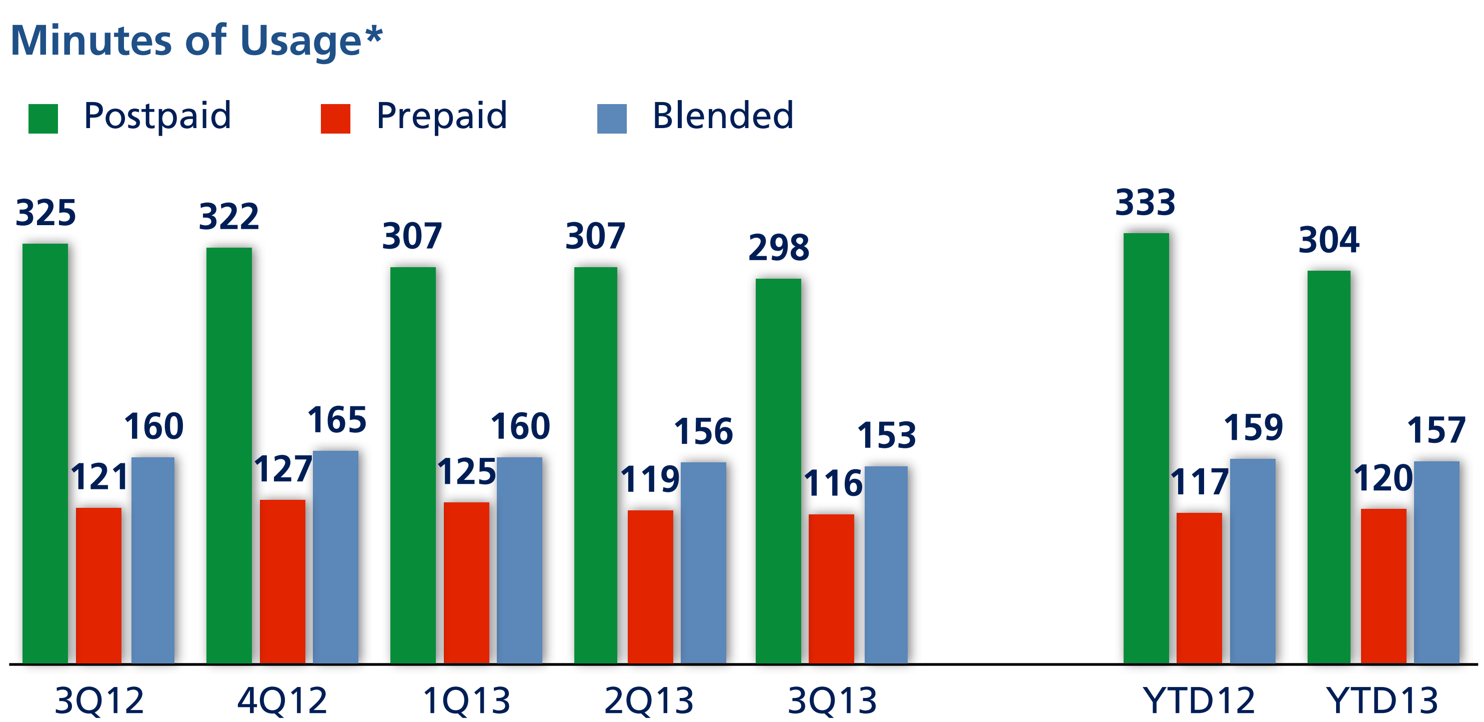
Not reporting revenue generating subscriptions effective 3Q13

ARPU & MOU
Data substitution gaining momentum



Blended ARPU stable

** Postpaid, prepaid & blended ARPUs restated retrospectively to reflect market definition subscriptions as base*



MOUs reflecting continuous data substitution; higher impact on postpaid MOU

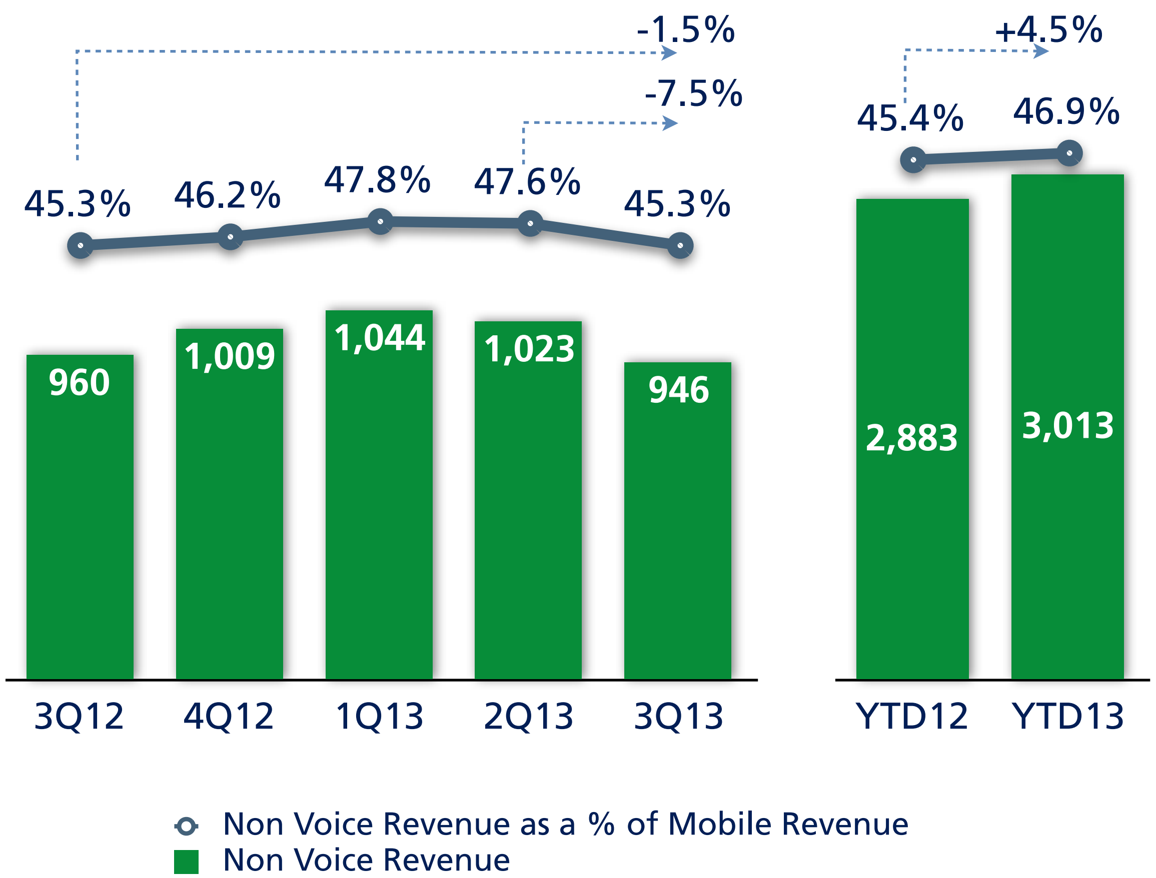
** Minutes of Usage (MOU): Maxis' on-net MOU is calculated based on outgoing calls only*

** MOUs restated retrospectively to reflect market definition subscriptions as base*

NON-VOICE REVENUE

Mobile internet key growth driver

Non-Voice Revenue* (RM mn)



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

Non-voice service revenue net of devices grew +2.0% YTD

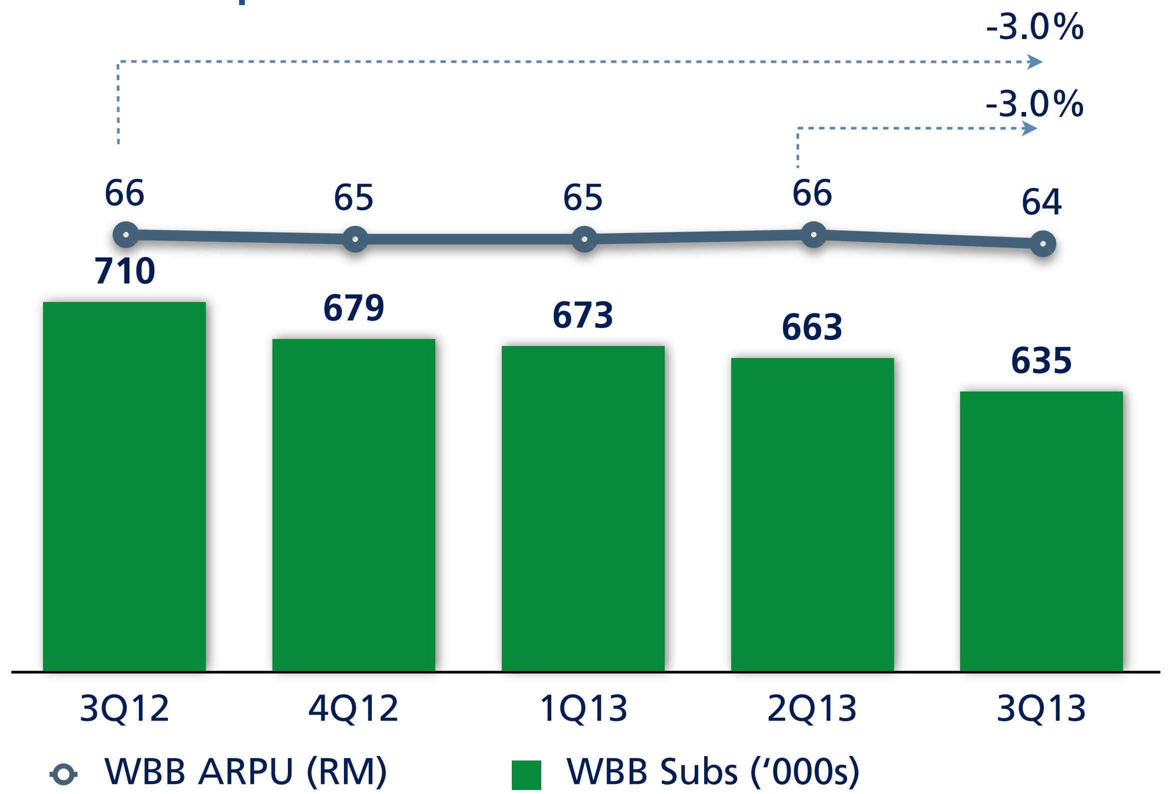
+14.6% internet & data revenue (non-SMS) net of devices YTD; now at 62% of non-voice revenue (YTD12: 56%)

YTD non-voice contribution at 46.9% of mobile revenue:

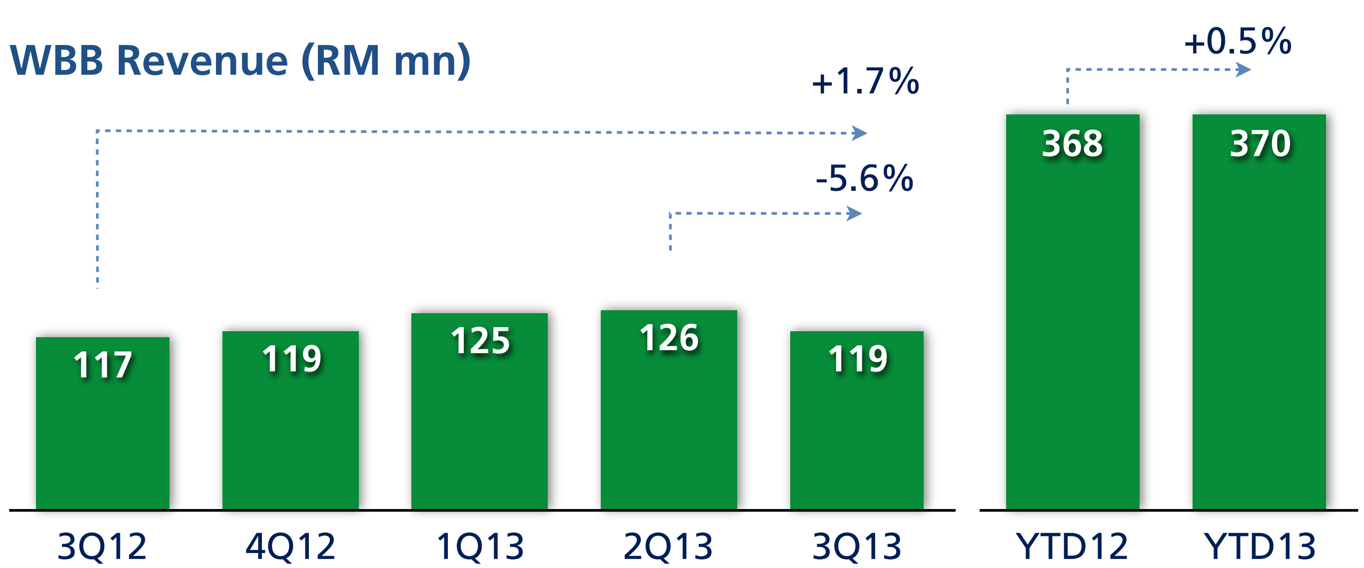
	2Q13	3Q13
Mobile Internet/VAS	23.0%	24.3%
Messaging	13.9%	13.2%
WBB	6.3%	5.8%
Devices	4.4%	2.0%

WIRELESS BROADBAND
Access shifting to smart-phones & tablets

WBB Subscription & ARPU



WBB Revenue (RM mn)



Internet adoption increasingly driven by smart-phones & tablets

Blended smart-phone penetration at 53%

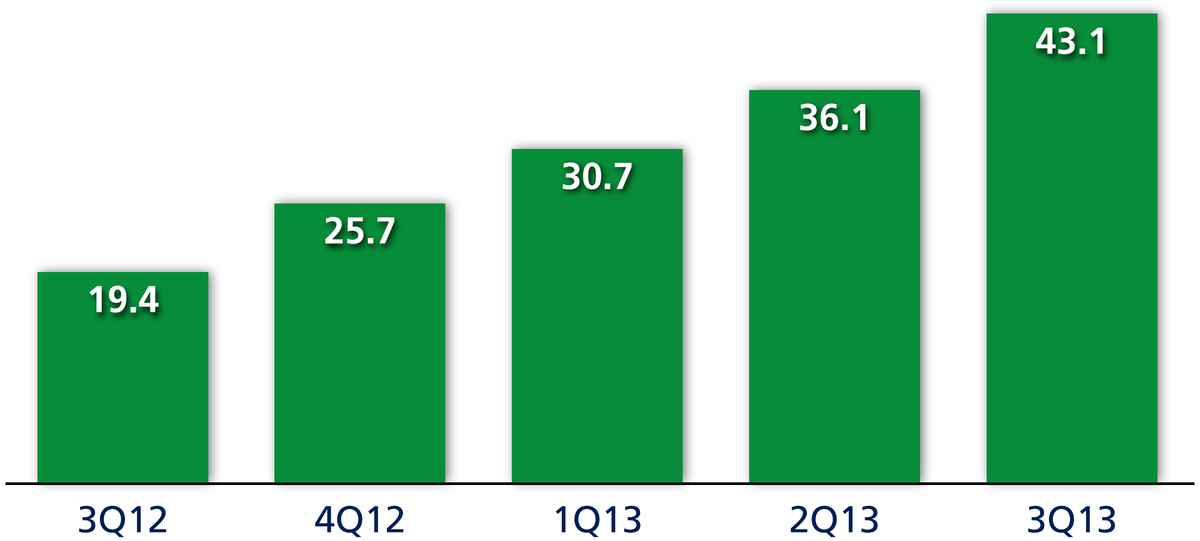
WBB subscriptions are defined as subscriptions on postpaid data plans using USB modem and tablets

WBB subscriptions restated retrospectively to reflect market definition as base

WBB revenue restated retrospectively to reflect service revenue & re-class of prepaid broadband to prepaid mobile revenue

HOME SEGMENT
Steady growth

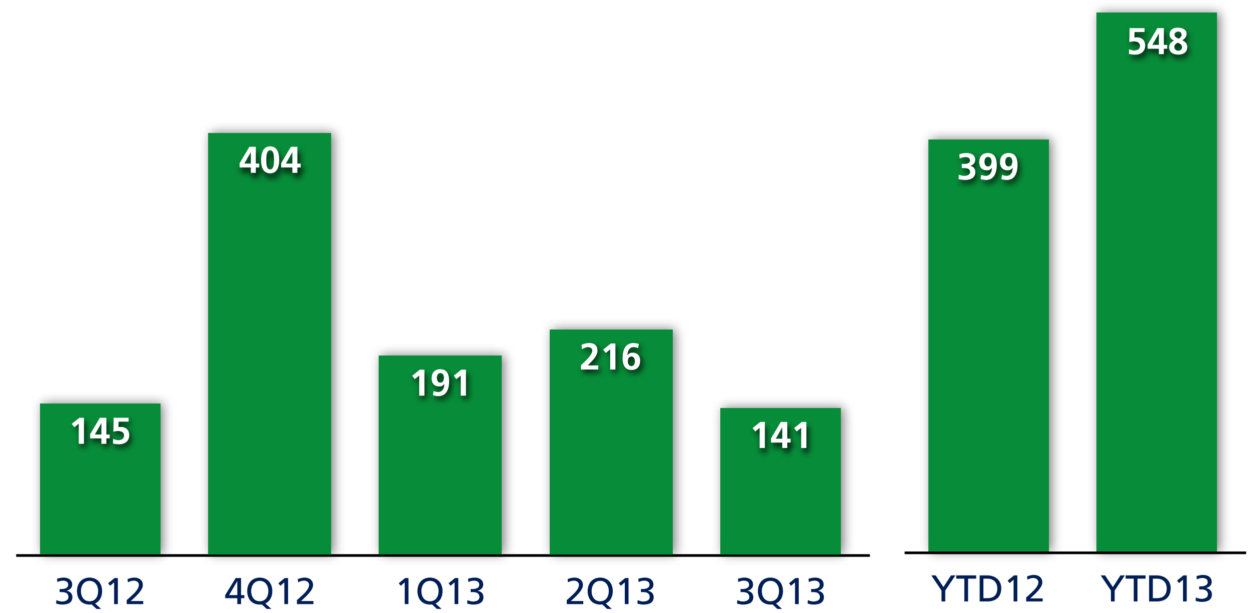
Home Subscriptions ('000)



Steady growth in subscriptions to 43.1k home connected as at end 3Q13

INVESTING IN FUTURE DATA REVENUE
Maintained 4G LTE leadership

Capex (RM mn)



Widest 4G LTE coverage footprint and device offerings

- 335k LTE enabled devices

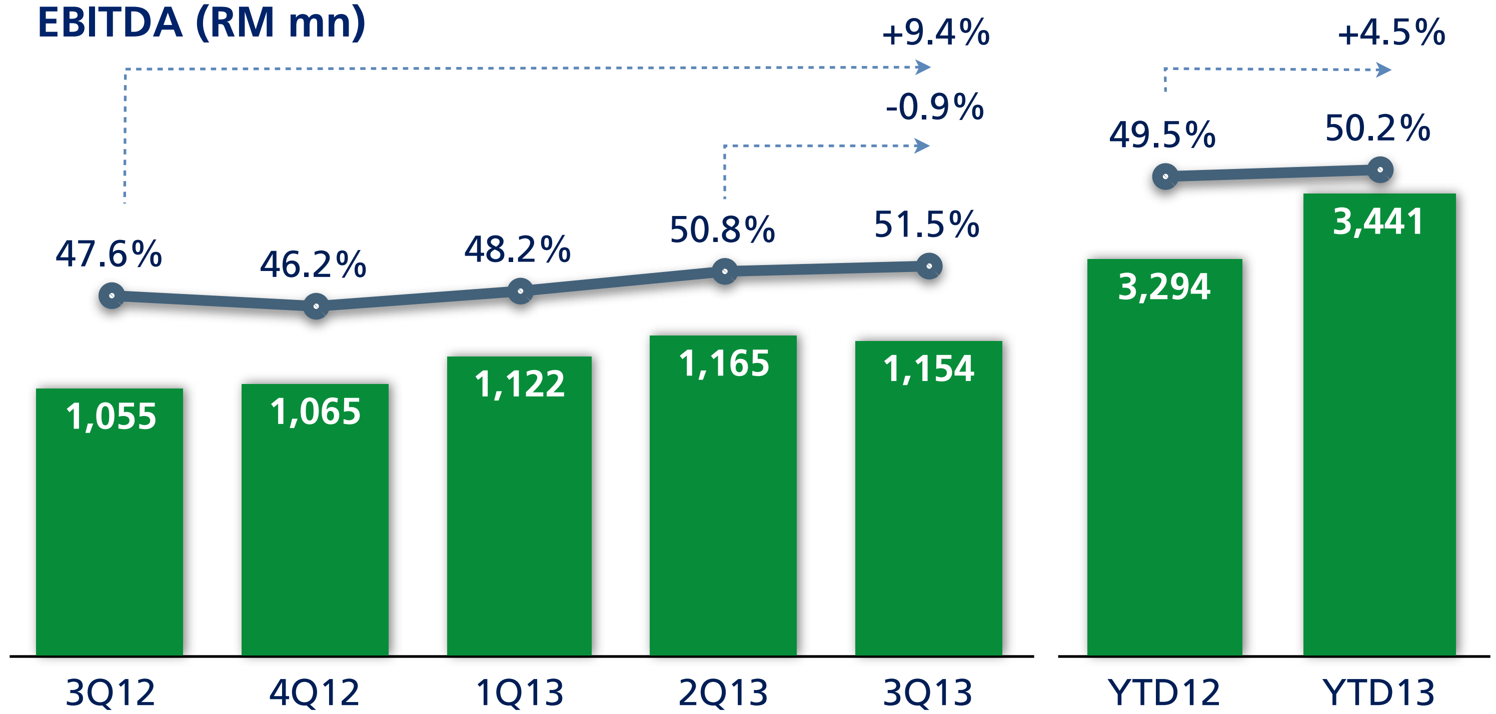
Continuous expansion & enhancements of 3G infrastructure

- 3G HSPA+ sites increased to almost 5,500 sites; of which more than 4,100 are capable of up to 42Mbps

Capex spend in 2H 2013 as planned; supporting network and major IT initiatives

EBITDA

Margin uplift continues from cost discipline



YTD EBITDA +4.5% excluding CTS costs

- EBITDA margin +0.7pp to 50.2%

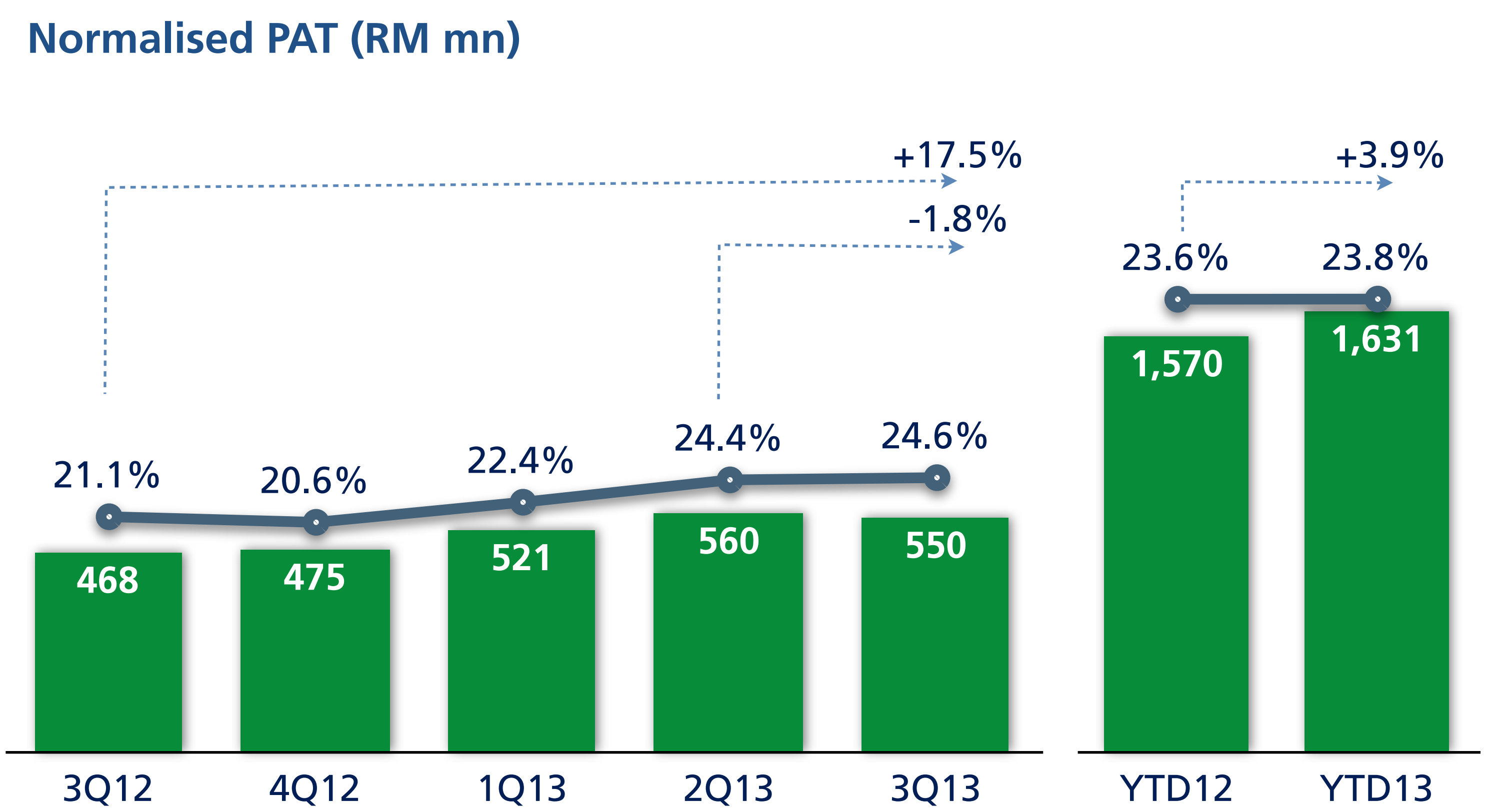
Sequential QoQ EBITDA margin above 50% excluding CTS costs

- Contributed by stable opex & lower outright device sales

COST COMPOSITION (excluding CTS)

% of Revenue	3Q12	4Q12	1Q13	2Q13	3Q13	YTD12	YTD13
Direct Expenses	33.5%	35.3%	34.4%	34.3%	33.0%	32.9%	33.9%
Sales & Mktg	4.3%	4.6%	3.9%	3.2%	3.6%	4.2%	3.6%
Staff-Related Costs	5.7%	5.6%	5.8%	4.8%	5.2%	5.5%	5.2%
Bad Debts	1.0%	0.4%	0.9%	0.7%	0.4%	1.1%	0.6%
G&A and Others	7.9%	7.9%	6.8%	6.2%	6.3%	6.8%	6.5%
Total Expenses	**52.4%**	**53.8%**	**51.8%**	**49.2%**	**48.5%**	**50.5%**	**49.8%**
EBITDA Margin	**47.6%**	**46.2%**	**48.2%**	**50.8%**	**51.5%**	**49.5%**	**50.2%**
	100.0%	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

PAT
Comparable QoQ; higher YTD



YTD PAT +3.9% or RM1,631m; after accounting for one-offs:

- CTS costs RM76 million
- Accelerated depreciation RM75 million
- Higher financing & amortisation costs

CASH FLOWS

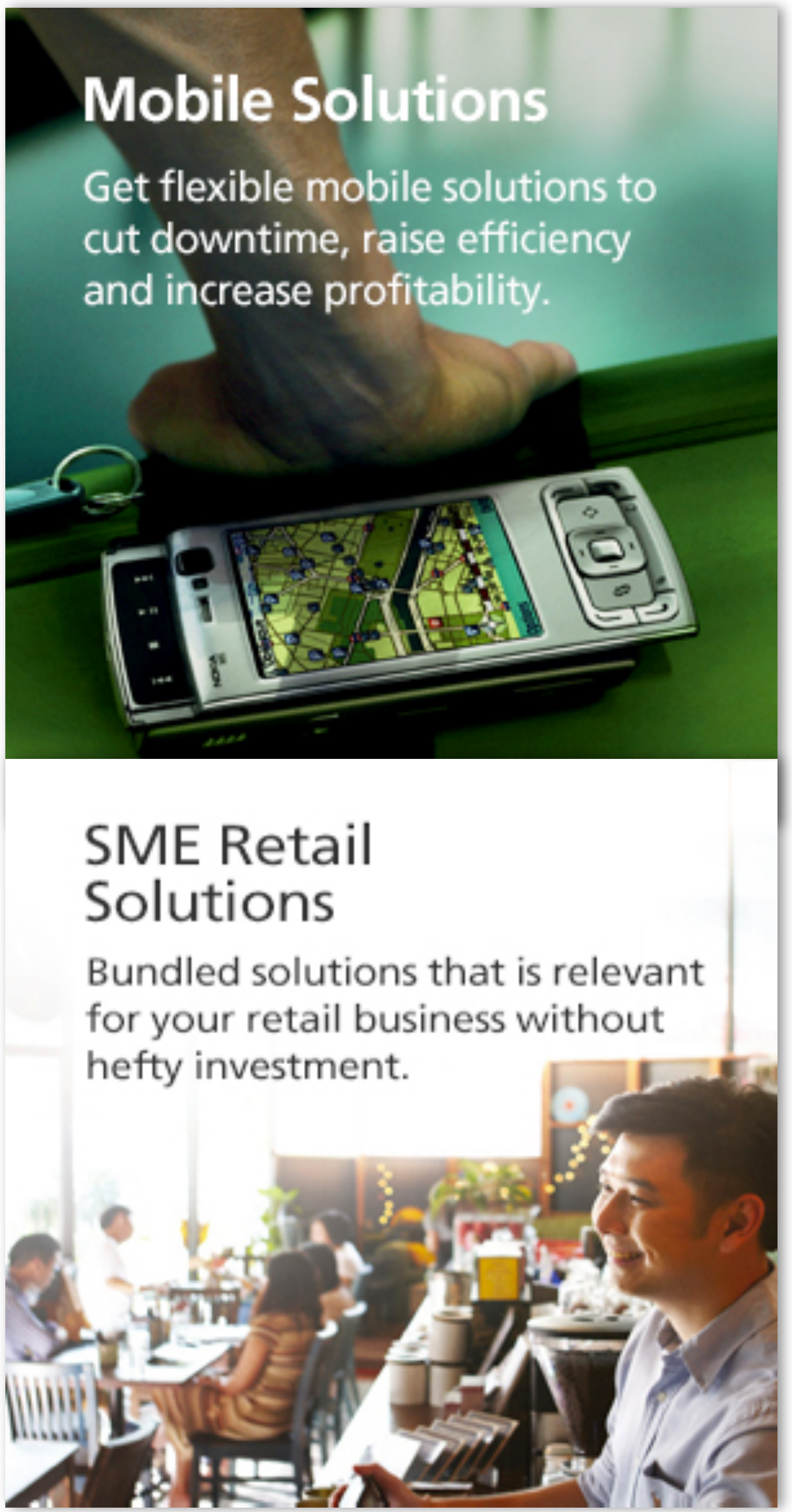
RM mn	1Q13	2Q13	3Q13	YTD12	YTD13
Cash flow from operating activities	**727**	**1,189**	**908**	**2,561**	**2,824**
Cash flow used in investing activities	**(192)**	**(179)**	**(161)**	**(604)**	**(532)**
Purchase of property, plant & equipment	(115)	(121)	(90)	(401)	(326)
Purchase of intangible assets	(77)	(58)	(71)	(203)	(206)
Cash flow before financing activities	**535**	**1,010**	**747**	**1,957**	**2,292**
Cash flow used in financing activities	**(715)**	**(1,263)**	**(104)**	**(1,646)**	**(2,082)**
Dividends paid	(600)	(1,200)	-	(2,400)	(1,800)
Debt drawdown	-	-	-	2,450	-
Debt repayment	-	(4)	-	(1,450)	(4)
Payment of finance costs	(115)	(60)	(115)	(243)	(290)
Others	-	1	11	(3)	12
Net change in cash	**(180)**	**(253)**	**643**	**311**	**210**
Opening Cash Balance	967	787	534	838	967
Closing Cash Balance	**787**	**534**	**1,177**	**1,149**	**1,177**

RM mn **Gearing Level**	**2Q13**	**3Q13**
Debt #	7,464	7,390
Cash	534	1,177
Net debt	6,930	6,213
Total equity	6,286	6,254
Ratios		
Net debt to EBITDA *	1.49x	1.48x
Net debt to Equity	1.10x	0.99x

 # Incl. derivative financial instruments for hedging
** YTD13 annualised*

Third interim dividend of RM600m (8 sen per share)

YTD13 SUMMARY



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- **+3.0% total revenue**
- **+1.9% service revenue***
- **+4.5% EBITDA excluding CTS# costs**
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  - ***Non-voice revenue at 46.9% of mobile revenue***

Continuous investment in future data revenue

- **Widest 4G LTE coverage footprint & device offerings**
- **Further expansion & enhancements of 3G infrastructure**

8 sen third interim dividend

- **YTD dividend pay-out maintained at RM1.8bn including third interim dividend**

** Service revenue defined as total revenue less device revenue*
 # CTS defined as Career Transition Scheme offered by Maxis as part of its recent reorganisation (one-time impact in 3Q13 & YTD13)


It's not the pale moon that excites me,
the way you make me feel... relax,
let's go slow, I ain't got nowhere to go...
Move with the music
maxis
Spotify
HOTLINK

THANK YOU

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APPENDICES

Consolidated Income Statement

RM mn	2Q13	3Q13	QoQ chg	YTD12	YTD13	YoY chg
REVENUE	**2,294**	**2,239**	**-2.4%**	**6,661**	**6,860**	**+3.0%**
Direct Expenses	(787)	(738)		(2,196)	(2,326)	
Indirect Expenses	(342)	(449)		(1,171)	(1,195)	
Total Opex	(1,129)	(1,187)		(3,367)	(3,521)	
EBITDA	**1,165**	**1,052**	**-9.7%**	**3,294**	**3,339**	**+1.4%**
Margin	50.8%	47.0%		49.5%	48.7%	
Depreciation	(277)	(239)		(792)	(829)	
Amortisation	(63)	(64)		(133)	(184)	
Others	(9)	0		(129)	(16)	
EBIT	**816**	**749**		**2,240**	**2,310**	
Interest Expense	(88)	(89)		(251)	(265)	
Interest Income	7	7		40	23	
PBT	**735**	**667**		**2,029**	**2,068**	
Tax	(205)	(193)		(547)	(588)	
PAT	**530**	**474**	**-10.6%**	**1,482**	**1,480**	**-0.1%**
Margin	23.1%	21.2%		22.2%	21.6%	

Presentation changes from 3Q13

Subscriptions

- Change to market definition subscriptions to be in line with market practice

ARPUs

- Restated to reflect change in subscription base to market definition

WBB Revenue

- Restated to exclude device revenue
- Reclassification of prepaid broadband revenue to prepaid mobile

Historical data arising from presentation changes (restated to FY2011)

	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
TOTAL SUBS (‘000)	14,115	14,113	14,224	13,995	13,830	13,827	13,930	14,091	14,136	13,873	13,213
POST SUBS (‘000)	3,316	3,324	3,382	3,393	3,385	3,312	3,318	3,321	3,356	3,376	3,368
PRE SUBS (‘000)	10,799	10,789	10,843	10,602	10,445	10,515	10,612	10,770	10,780	10,497	9,845
WBB SUBS (‘000)	636	665	711	717	708	687	710	679	673	663	636
WBB REV (RM mn)	113	118	128	133	128	143	117	119	125	126	119

WBB subscriptions is included in postpaid subscriptions

Historical data arising from presentation changes (restated to FY2011)

	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
POST ARPU (RM)	104	107	108	108	105	109	106	107	102	103	100
PRE ARPU (RM)	31	31	33	33	33	33	34	33	32	31	33
BLENDED ARPU (RM)	45	46	47	47	47	47	47	47	45	45	47
WBB ARPU (RM)	61	63	63	65	64	67	66	65	65	66	64
POST MOU (mins)	343	348	345	345	334	340	325	322	307	307	298
PRE MOU (mins)	124	125	124	119	116	115	121	127	126	119	115
BLENDED MOU (mins)	167	168	166	162	158	158	160	165	161	156	153