

MAXIS BERHAD

Maxis delivers steady financials in Q1 2018

- *Profit after tax stable at RM510 million year-on-year*
- *Cost optimisation drives solid EBITDA*
- *No. 1 4G LTE network, coverage at 92% of the population, the widest in the country*
- *Declared a first interim dividend of five sen per share*

MEDIA RELEASE

For immediate release

Kuala Lumpur, 19 April 2018

Highlights: Year-on-Year (yoy) - Q1 2018 vs Q1 2017

- Normalised PAT stable at RM510 million on the back of solid EBITDA.
- Normalised EBITDA continued to be stable at RM1,020 million slightly lower from RM1,024 million a year ago. EBITDA margin (on service revenue) was high at 51.5% against 49.3% last year, reflecting positive results from cost optimisation initiatives.
- Service revenue was marginally lower at RM1,980 million from RM2,076 million a year ago due to intense competition, particularly in the prepaid market.
- Postpaid revenue grew 5.2% yoy to RM985 million from RM936 million last year, registering the highest shared line acquisition and increased average revenue per account (ARPA) through mobile and fixed offerings. This was supported by high monthly postpaid ARPU of RM92 and our flagship MaxisONE Plan (MOP) which continued to attract high-value subscribers. MOP registered 283k new additions yoy, bringing the total base to 2.0 million customers.
- Prepaid revenue softened to RM849 million from RM1,006 million last year due to lower subscription base. This was driven by aggressive price competition, continued SIM consolidation and migration to postpaid. We continued to sustain high Mobile Internet (MI) penetration of 73%, which supported our high prepaid ARPU of RM41 per month.
- Declared a first interim dividend of five sen per share.

Stable Q1

	Q1 2018	Q1 2017	YoY
	RM'm	RM'm	%
Service revenue	1,980	2,076	(4.6)
Normalised EBITDA	1,020	1,024	(0.4)
Normalised PAT	510	510	-
Capex	107	162	

Delivering worry-free experience to our customers:

- Blended data consumption almost doubled to 7.7GB from 4.3GB per month a year ago. This was supported by the increase in smartphone penetration which stood at 82% from 78% a year ago.
- Our No. 1 4G LTE network is the widest in the country with 92% population coverage. We continued to have the best data network – Maxis was voted Best Telco Provider for three years by Lowyat.NET Community Choice Awards Malaysia as well as Best LTE Network for four consecutive years.
- To ensure our customers continue to enjoy the best mobile streaming experience, we invested RM107 million for capex in Q1.
- Supporting Malaysian businesses to go digital, we have been developing smart solutions to amplify the power of the Internet in enabling new ways of working for our corporate and SME customers. Maxis' Internet of Things (IoT) offerings include mDrive, a fleet tracking solution which enables businesses to reduce cost and promotes safer driving habits within the fleet management of a company.
- Encouraging traction for Hotlink's new flagship products:
 - Hotlink RED that enables customers to have the freedom to experience the Internet the way they like it, without having to worry about time or usage restrictions.
 - A first-of-its-kind postpaid plan in the market, Hotlink Postpaid Flex offers customers the best of both prepaid and postpaid in one plan, giving customers control and convenience on how they experience the Internet.

Comment by Robert Nason, Chief Executive Officer, Maxis Berhad:

"We delivered a steady quarter with solid EBITDA and high EBITDA margin in a highly competitive market. Our focus remains on providing attractive products, great connectivity and worry-free experience to our customers. This will only get better as we progress with our ambition to be fully digital."

To view Maxis' Q1 2018 financial results video release, please click here: https://youtu.be/l-rEKR_mfTQ

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Note: This is the first time we are adopting the new revenue recognition accounting standard, i.e. MFRS 15. We have taken the full retrospective approach; hence our comparative figures have been adjusted accordingly.

We Are Maxis

We are the leading communications and internet service provider in Malaysia, enabling 11 million individuals, families and businesses to do more in an Always On world. As our customers increasingly immerse themselves in an ever expanding universe of connected applications, we are obsessed with providing an unmatched end-to-end internet experience – bringing together advanced always on connectivity and always great tech care. Beyond connecting people with our services, we are passionate about leveraging new technologies to make a positive impact in the community in which we operate.

For more information, please visit: maxis.com.my

For media enquiries, please contact:

Norlaili Mohamad

Corporate Affairs

Maxis Berhad

Tel: 017-3000630

Email: norlaili@maxis.com.my