

# MAXIS BERHAD

## MAXIS Q3 – PROFIT AFTER TAX GREW 2.9% TO RM494 MILLION, KEY INDICATORS TRENDING UP

- **Service revenue stable at RM2,049 million**
- **Solid EBITDA Margin on Service Revenue at 52.7%**
- **Delivering on dividend commitment; declared a third interim dividend of eight sen per share**

### MEDIA RELEASE

For immediate release

Kuala Lumpur, 13 November 2014

Maxis Berhad (Maxis) turned in positive results, accompanied by an upward trend in key operational drivers for its third quarter financial results ended 30 September 2014.

Gaining momentum from its transformation and market initiatives, Maxis delivered a normalised Profit After Tax of RM494 million, up 2.9% from RM480 million registered in Q2 2014. Service Revenue remained steady at RM2,049 million while Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) stood at RM1,070 million, with an EBITDA Margin on Service Revenue at a solid 52.7%.

This quarter, Maxis took a RM16 million revenue hit from the re-pricing of postpaid pay-per-use (PPU) charges. Despite that, Maxis acquired higher Mobile Internet (MI) users - MI users surged to 7.6 million with MI revenue growing 6.7% quarter-on-quarter and MI share of mobile revenue improved to 30%, driven by momentum gained from worry-free propositions and higher smart phone penetration. Maxis also saw its blended smart phone penetration at 54% this quarter, up 5% points, fuelled by attractively priced low-to mid-tier devices.

Morten Lundal, Maxis Chief Executive Officer, said, "We are progressing well with our transformation journey. Our Q3 numbers were broadly stable, but with operational drivers

## *Final*

showing an upward trend. We see many more opportunities to create positive surprises that make the customers feel special and create 'Like' moments. We already have a very competitive network serving a majority of the population as well as leading the LTE population coverage in the country. We want to improve our capabilities further and ensure that we deliver unmatched experiences to our customers - a truly worry free Internet experience on the best network."

The quarter saw Maxis registering a turnaround in its prepaid, driven by strong product portfolio and distribution focus. The Company had a second consecutive quarter of prepaid subscription growth, closing the quarter with 9.1 million subscriptions. Meanwhile in postpaid, MaxisONE plan continued to gain good traction, bringing in good balance of new and migrated subscribers as well as good ARPU impact.

The Company invested RM337 million in capex this quarter and is on track to spend more than RM1 billion this year. The new modernised network will reach more than 75% of the population before the end of this year. Maxis' 2G and 3G population coverage is in excess of 95% and 85% respectively. Maxis also leads the LTE population coverage in the country, which stood at 21%, covering key market centres and state capitals.

The Company announced a third interim dividend of eight sen per share.

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