

MAXIS BERHAD

MAXIS' NET PROFIT RISES 11.3% TO RM530 MILLION FOR Q2 2013, EBITDA MARGIN AT 50.8%

- *Strong non-voice revenue; 7.5% growth year-on-year and contributed 47.7% of mobile revenue for H1 2013*
- *4G LTE leadership; Successfully expanded beyond Klang Valley to Penang and Johor Bahru and the first to provide 4G LTE in East Malaysia, starting with Kuching and Kota Kinabalu*
- *Delivered on dividend commitment; announced a second interim dividend of eight sen per share amounting to RM600 million*

MEDIA RELEASE

For immediate release

Kuala Lumpur, 6 August 2013

Maxis Berhad's (Maxis) second quarter net profit climbed 11.3% driven by the strength of its non-voice business, particularly mobile internet and prudent cost management. For the three months ended 30 June 2013, Malaysia's only integrated communications service provider reported a net profit of RM530 million, up from RM476 million registered in Q1 2013.

The Company recorded a service revenue¹ of RM2,206 million, up 0.1% from RM2,205 million in Q1 2013. This was driven by strong growth in data which helped to mitigate to an extent, the declining voice and SMS revenue. Non-voice revenue for the quarter was at RM1,023 million and accounted for 47.6% of mobile revenue. Total revenue however, took a marginal dip to RM2,294 million from RM2,327 million achieved in Q1 2013 mainly due to lower outright sales of terminal devices that have low margin.

Maxis recorded an Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of RM1,165 million, 3.8% higher than that of the preceding quarter driven by prudent cost management. EBITDA margin improved to 50.8% in the same period.

Commenting on Maxis' second quarter performance, YM Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, Chairman of Maxis said, "We are pleased to note that our market initiatives are making steady progress and continuing to gain momentum. Our performance this quarter was fuelled by higher mobile internet usage from the launch of innovative data products. Smartphone use continued to increase among our customers where we have 6.5 million of our 12.4 million subscription base (excluding broadband dongle subscribers) using smartphones, representing a penetration rate of 52%. Continuing with our commitment to healthy dividend, I am also pleased to announce that Maxis has declared a second interim dividend of 8.0 sen per share amounting to RM600 million to our shareholders."

¹ Service revenue is defined as total revenue less device revenue.

During the quarter, Maxis introduced Location-based advertising service, the first in Malaysia, and Opera Mini data plan for customers to enjoy unlimited internet browsing. The launch of these innovative products and services underlined Maxis' continued leadership in the data space.

Maxis also continued to lead the market with 13.9 million total subscriptions.

For the first half of 2013, Maxis registered a PAT of RM1,006 million, on the back of a 4.0% growth in revenue to RM4,621 million. PAT was impacted by acceleration of depreciation of network equipment as the Company continued to modernise its network to be 4G LTE-ready, resulting in a slight reduction from RM1,039 million recorded last year. The Company recorded an EBITDA of RM2,287 million, up by 2.1% from RM2,239 million in H1 2012. EBITDA Margin was at 49.5%, remaining as the highest in the industry.

Maxis continued to invest prudently in maintaining and improving its network, with RM407 million capital expenditure spent in the first half of 2013. Since the launch of its high-speed 4G LTE network on 1 January 2013, Maxis has successfully expanded its 4G LTE coverage beyond Klang Valley to Penang and Johor Bahru and was the first to provide 4G LTE in East Malaysia, starting with Kuching and Kota Kinabalu.

"We continued to lead the market to provide customers with the widest range of 4G LTE smartphones. As at end of June 2013, we had close to 250k subscribers with 4G LTE devices, and we are on track to expand 4G coverage to reach 18% of the population by end of the year. We will grow the eco-system with more 4G smart devices, exciting content and services for an even richer digital experience for customers," added Raja Tan Sri Dato' Seri Arshad.

On prospect for the year, Raja Tan Sri Dato' Seri Arshad said, "Our focus for 2013 remains to continue building on our leadership in the data business, put our customers first in everything we do and be the most efficient company. We will drive growth in our core business while investing in future digital services with continued investment in our infrastructure to meet ever growing customer demand for data access and higher speeds. As Malaysia's only integrated communications service provider, we are well placed to offer integrated offerings to families, communities and businesses. We will continue to seed the market with attractive smart devices and bundled offerings to ensure continuous data growth. We are embracing the changes in our industry by refining and strengthening our focus on four core business areas of consumer business, enterprise solutions, sales and services and digital services. Our refined structure will provide a strong foundation for continued profitability as well as supports our ambitions to grow in the digital space."

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About Maxis Berhad

Maxis Berhad is Malaysia's only integrated communications service provider with RM8.9 billion revenue in 2012 and over 14 million subscribers. As one of Malaysia's most admired home-grown brands, Maxis has evolved from being a premier mobile operator to one that offers an extensive suite of services to enrich its customers' lives whether at home, at work or on-the-go: mobile and fixed voice, messaging, mobile internet, wireless and wired high speed broadband, and multi-screen content and applications - be it entertainment, education, security or cloud computing - through mobile, fixed and satellite networks. Maxis launched the first high-speed networks in Malaysia including 3G, 3.5G, 3.5G+ and was the first to launch 4G LTE (Long-Term Evolution) early this year. Maxis' high-speed network footprint is the largest in the country with 95% 2G and 82% high-speed 3G coverage.

As a key supporter of the Malaysian application development ecosystem, Maxis partners with local developers to bring innovative applications to its customers while also making available the widest range of localised content in the market, with a selection of free Apps that appeal to different segments across various smart devices. Maxis'

efforts in innovation, excellent customer service and providing value to stakeholders have earned the Company numerous awards including the historic win of 20 awards at the 13th Customer Relationship Management and Contact Centre Association of Malaysia (CCAM) Annual Awards in 2012, Best Managed Company, Asia's Best Employer, Putra Brand of the Year Awards in 2011 and Top 5 Best Global Operator Award by World Communication Awards in 2012 and 2010. Committed to contributing to the communities it operates in, Maxis' Corporate Responsibility efforts focus on making a 'Positive Impact', harnessing leading-edge technology to create value for the economy, society and the environment. For more information, please visit: maxis.com.my

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