



# 3Q 2016 Results

24 November 2016

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# Executive summary: Financials

QoQ overall performance lifted by Ncell's full quarter contribution, strong performance by Dialog and Smart, and Robi recovery. However, YoY and YTD PATAMI were weak due to Celcom and Idea.



- ❖ **QoQ overall performance lifted by Ncell's full quarter contribution, strong performance by Dialog and Smart, and Robi recovery. However, YoY and YTD PATAMI were weak due to Celcom and Idea.**
  - QoQ growth : Revenue 2.8% ; EBITDA 1.3% ; PATAMI 35.8% ; Normalised PATAMI 36.3%
  - YoY growth : Revenue 7.7% ; EBITDA 12.3% ; PATAMI -71.2% ; Normalised PATAMI -1.9%
  - YTD growth : Revenue 8.6% ; EBITDA 13.4% ; PATAMI -61.0% ; Normalised PATAMI -19.1%
  
- ❖ **At constant currency, financials reflect impact from weaker ringgit for YTD.**
  - QoQ growth : Revenue 1.5% ; EBITDA 0.0% ; PATAMI 34.4% ; Normalised PATAMI 35.3%
  - YoY growth : Revenue 7.0% ; EBITDA 11.3% ; PATAMI -70.7% ; Normalised PATAMI -0.9%
  - YTD growth : Revenue 4.9% ; EBITDA 9.4% ; PATAMI -62.3% ; Normalised PATAMI -20.5%
  
- ❖ **Completion of Robi-Airtel merger on 16<sup>th</sup> November 2016, where Axiata owns 68.7% of mergedco.**
  
- ❖ **Cash balance of RM6.0bn and gross debt/EBITDA at 2.32x (based on Ncell's annualised EBITDA).**



# Key Group highlights (1/5):

**Celcom: 3Q16 service revenue growth turns positive after three consecutive quarters of decline, however YTD performance remains sub-par.**



- **3Q16 service revenue growth turns positive (+1.2% QoQ) after three consecutive quarters of decline; however YTD16 performance remains sub-par primarily due to the decline in revenue contribution from VAS (-48.4%) and overseas foreign workers (-24.5%).**
- **Celcom's YTD revenue, normalised EBITDA and normalised PATAMI growth is -9.9%, -16.2%, and -26.1%, respectively.**
- **Early signs of postpaid recovery with two consecutive quarters of revenue growth, due to the new data-led products. However, prepaid recovery remains challenging.**
- **YTD16 mobile data revenue grew by 8.3% driven by an increase in mobile internet revenue of 18.9%.**

## Key Group highlights (2/5):

XL: 3Q16 service revenue was up driven by strong growth in data; however total revenue was flat due to foregone tower lease revenue. YTD16 PAT improvement due to forex and tower sale gains.



- 3Q16 service revenue grew 1.6% QoQ reversing the declining trend over the last two quarters, driven by growth in data revenue.
- XL's YTD revenue, EBITDA and PAT growth is -5.0%, 2.7% and >100%, respectively.
- YTD EBITDA margin rose 2.9pp to 38.6% as a result of XL's continuous focus on profitability which is the crux of the Transformation Agenda.
- To ensure top-notch quality data experience, XL expands 4G-LTE sites to 7,204 in 88 cities, and rolls out U900 services across the country.
- High smartphone penetration of 60% and data users at 65% of subscriber base have delivered YTD total traffic growth of 146%.

# Key Group highlights (3/5):

Continued strong performance from Dialog and Smart; Robi delivers strong QoQ performance but yet to recover YTD shortfall.



- Suspension of VAT and NBT on 16<sup>th</sup> July 2016 had a positive impact on 3Q16; however, these taxes have been re-introduced with effect from 1<sup>st</sup> November 2016.
- Dialog's YTD revenue, EBITDA and PAT growth is 18.7%, 19.7% and 70.6% respectively.
- Upheld its strong performance across all business units with YTD revenue growth for mobile, fixed and pay-TV operations at 18.3%, 26.6% and 7.3%, respectively.
- Mobile data revenue grew by 54.2% YTD, as data accounted for 22.3% of Dialog's mobile revenue.



- 3Q16 revenue growth of 11.5% QoQ primarily due to higher device sales and co-branding (+95.3%) as well as strong data revenue growth (+31.8%).
- Robi's YTD revenue, normalised EBITDA and normalised PAT growth is -1.0%, -11.5% and -61.3% respectively.
- YTD data revenue grew by 33.9%, as data accounted for 12.9% of Robi's total revenue.



- Continues to deliver outstanding performance in 3Q16 primarily due to growth in data revenue and effective cost management.
- Smart's YTD revenue, EBITDA and PAT growth is 10.4%, 9.7% and 23.7% respectively.
- Data subscribers grew 77.2% to 4.0m; YTD data revenue grew by 45.0%, as data accounted for 41.1% of Smart's total revenue.

# Key Group highlights (4/5):

**Ncell: Excellent YTD performance despite seasonally weak third quarter due to monsoon. Overall performance is marginally better than investment case.**



- **Excellent YTD performance despite seasonally weak third quarter due to monsoon and continued pressure on ILD termination rates.**
- **Ncell's YTD revenue, EBITDA and PAT growth is 2.0%, 3.2% and 16.9%, respectively.**
- **YTD data revenue grew by 76.8%, as data accounted for 15.1% of Ncell's total revenue.**
- **Purchase price allocation (PPA) accounting adjustment of RM36.3m to Group's PATAMI in 3Q16. This is a non-cash item.**

Note: Growth number based on results in local currency in respective operating markets

# Key Group highlights (5/5):

Associates: Weaker performance from Idea and M1.

## Associates



India

- Heightened competitive pressures in India. YTD17 revenue and EBITDA growth of 7.6% and 2.5% respectively; however PAT growth was -80.9% as a result from higher depreciation and finance cost. YTD16 Idea contributed RM79.7m to Axiata, versus RM278.7m in YTD15, accounting for 5.9% of normalised Group PATAMI.



Singapore

- YTD revenue, EBITDA and PAT growth of -12.0%, -5.3% and -12.6% respectively. YTD16 M1 contributed RM100.3m to Axiata, versus RM119.1m in YTD15, accounting for 7.5% of normalised Group PATAMI.

Note: Growth number based on results in local currency in respective operating markets

# Financials

QoQ overall performance lifted by Ncell's full quarter contribution, strong performance by Dialog and Smart, and Robi recovery. However, YoY and YTD PATAMI were weak due to Celcom and Idea.

## Financial highlights

<u>RM mn</u>	<u>3Q16</u>	<u>YTD</u>	<u>QoQ growth</u>	<u>YoY growth</u>	<u>YTD growth</u>	<u>YTD growth (constant currency)</u>
Revenue	5,457	15,776	2.8%	7.7%	8.6%	4.9%
EBITDA	2,092	6,033	1.3%	12.3%	13.4%	9.4%
EBITDA margin %	38.3%	38.2%	-0.6pp	+1.5pp	+1.6pp	+1.6pp
Depreciation & amortisation	-1,303	-3,858	-6.3%	26.2%	27.9%	21.9%
Net finance cost	-244	-730	-13.4%	39.6%	75.3%	67.6%
PAT	296	929	27.3%	-69.0%	-56.2%	-57.5%
Normalised PAT	563	1,425	39.6%	0.0%	-18.3%	-19.6%
PATAMI	257	814	35.8%	-71.2%	-61.0%	-62.3%
Normalised PATAMI	506	1,341	36.3%	-1.9%	-19.1%	-20.5%
ROIC % <sup>^</sup>	-	6.0%	-	-	-1.6pp	5.9%
ROCE % <sup>^</sup>	-	5.3%	-	-	-1.4pp	5.2%
Capex	1,551	3,841	25.5%	30.9%	10.7%	
% of revenue	28.4%	24.3%				
Operating Free Cash Flow*	141	979	-62.0%	-67.3%	-7.1%	
% of revenue	2.6%	6.2%				

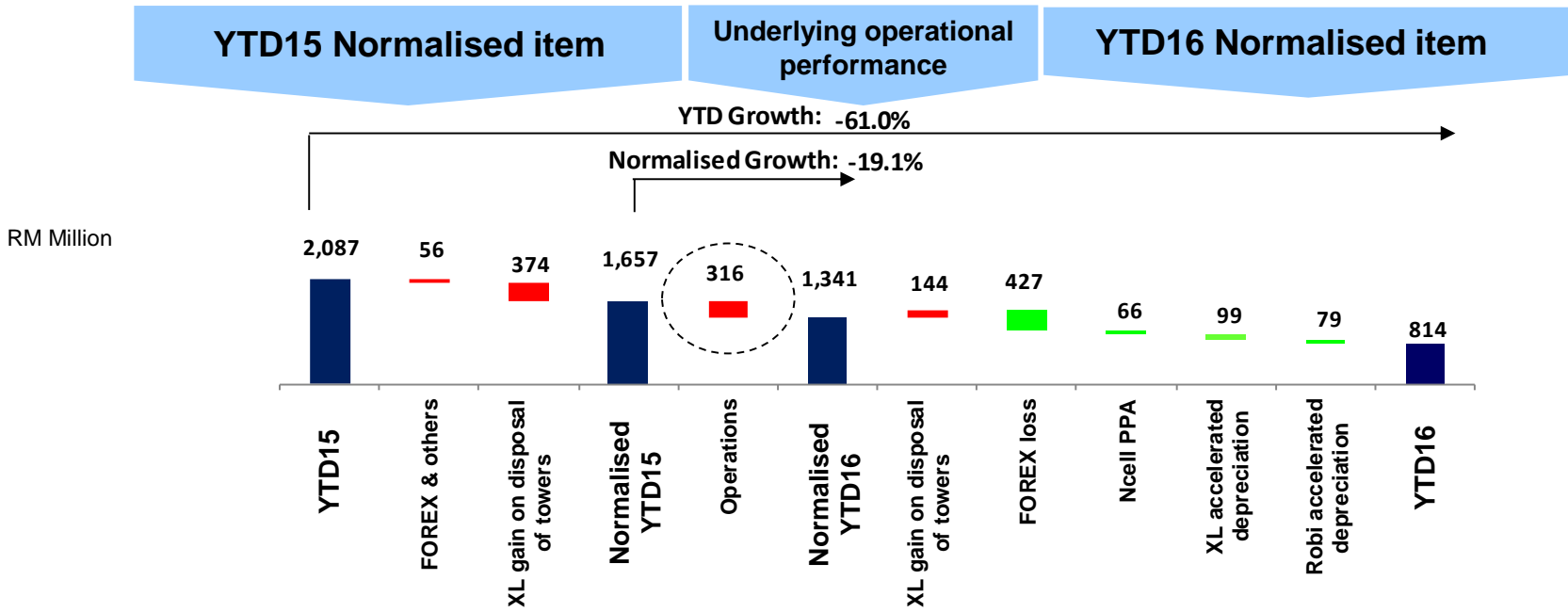
\*OFCF= EBITDA- Capex- Net Interest-Tax

<sup>^</sup> Annualised Ncell, ROIC – 6.6%, ROCE – 6.1%



# Normalised Group PATAMI: YTD15 → YTD16

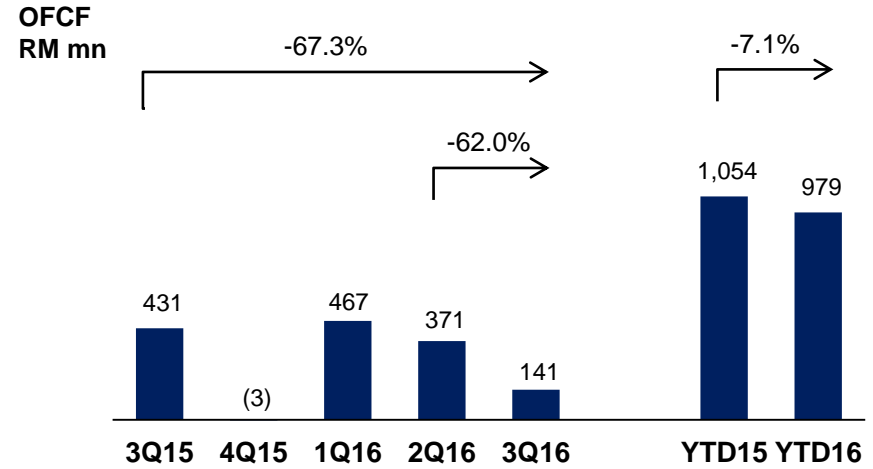
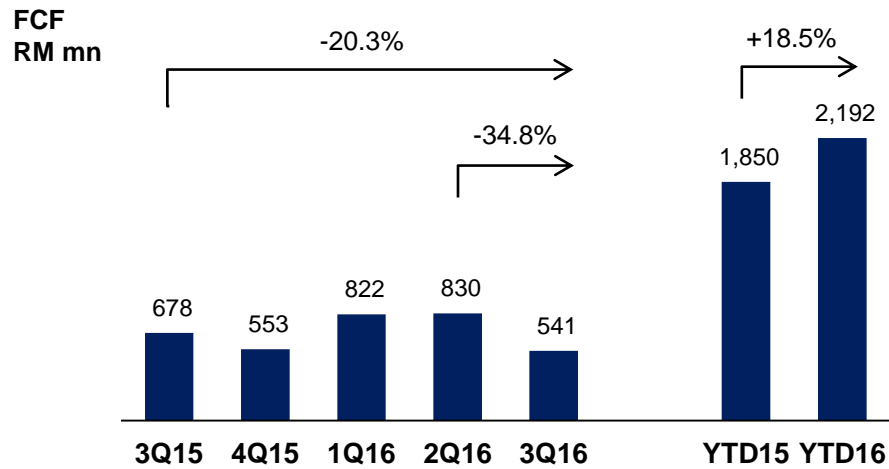
Normalised performance decreased by 19.1% largely due to Celcom, XL, Robi and Idea, cushioned by Ncell, Smart and Dialog.



Norm. PATAMI	YTD15	YTD Growth Rates		Norm. PATAMI	YTD16
Celcom	1,056	-297	-28.1%	Celcom	759
XL	(37)	-44	->100%	XL	(81)
Dialog	152	+45	+29.6%	Dialog	197
Robi	129	-30	-23.3%	Robi	99
Smart	140	+65	+46.4%	Smart	205
Ncell	-	+260	na	Ncell	260
Associates & Others	217	-315	->100%	Associates & Others	(98)
<b>GROUP</b>	<b>1,657</b>	<b>-316</b>	<b>-19.1%</b>	<b>GROUP</b>	<b>1,341</b>

# Capital expenditure

YTD capex intensity at 24.3%.



Capex (RM mn)	YTD15	YTD16
Celcom	555	886
XL	1,234	1,359
Dialog	298	427
Robi	1,029	783
Smart	244	226
Ncell	n/a	85
Others	109	74
<b>Total</b>	<b>3,470</b>	<b>3,841</b>

Note:  
 Numbers may not add up due to rounding  
 FCF=EBITDA-Capex  
 OFCF= EBITDA- Capex- Net Interest-Tax  
 n/a = not available

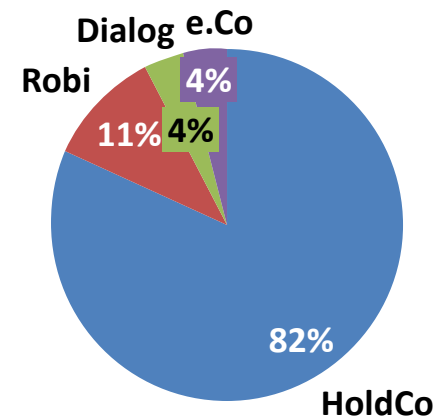
# Group statements of financial position

Gross debt/EBITDA decreases to 2.32x; 47.1% of USD loan is hedged.

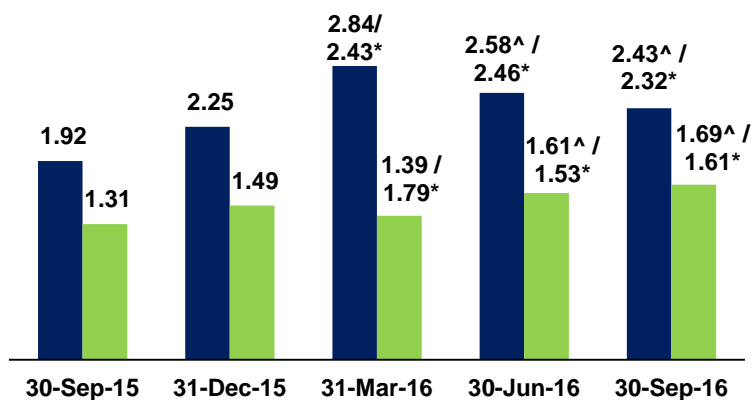
## Group borrowings

In million	Loan Currency	USD	Local	Total (RM)
Hold co & Non OpCo	USD	2,025	-	8,350
	<b>Sub-total</b>	<b>2,025</b>	<b>-</b>	<b>8,350</b>
OpCos	USD	668		2,814
	RM		4,510	4,510
	IDR		10,631,518	3,425
	BDT		12,180	386
	SLR		11,228	316
	PKR		1,316	53
	<b>Sub-Total</b>		<b>668</b>	
<b>Total Group</b>		<b>2,693</b>		<b>19,854</b>

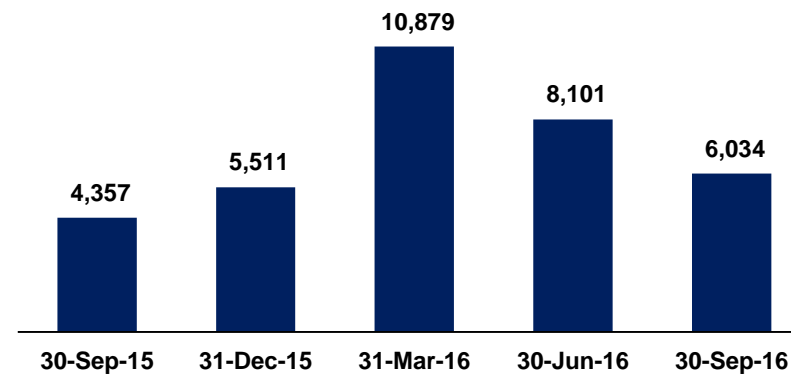
## Group unhedged USD borrowings



■ Gross debt to EBITDA ■ Net debt to EBITDA



## Cash and Bank



\* Based on Ncell's EBITDA on an annualised basis.

^ Based on Ncell's EBITDA of 8.5 months in FY16 (extrapolated).

	Headline KPIs (based on Bloomberg* estimate in mid-Oct 2015 for 2016 forex)	Guidance	Headline KPIs (based on constant currency)	Guidance
Revenue growth	12.2%	Below	9.8%	Below
EBITDA growth	16.0%	Below	13.7%	Below
ROIC	6.8%	Below	6.6%	Below
ROCE	6.1%	Below	6.0%	Below
Capex **	RM5.7bn	Above	RM5.5bn	Above

\*1 USD = RM4.20

\*\* Capex is not a headline KPI

## **Depreciation & amortisation (non-cash item) for FY16 to increase by 20-30% YoY due to:**

- ❖ Capex of RM4.9bn spend in FY15.
- ❖ Potential capex of RM6bn in FY16.
- ❖ Additional D&A from Ncell acquisition (w.e.f. 11<sup>th</sup> April 2016) and Robi-Airtel merger (w.e.f. 16<sup>th</sup> November 2016).
- ❖ Accelerated depreciation from XL (network modernisation related to 4G rollout) and Robi (Chittagong-Comilla 2G network swap).

## **Net finance cost (cash item) for FY16 to increase by ~50%YoY due to:**

- ❖ Increase in debt to RM19.9bn at YTD16 (from RM16.4bn in FY15) to fund Ncell acquisition.
- ❖ Change in XL's debt profile due to refinancing to IDR loan, where average IDR COD is 9-9.5% (vs unhedged USD COD of ~3%).



## Opportunities

- ❖ Celcom 'Refresh' and XL 'Transformation Agenda'.
- ❖ Synergistic opportunities from Robi-Airtel merger and Ncell acquisition.
- ❖ e.Co's organic and inorganic growth.
- ❖ Group-wide cost optimisation.

## Challenges

- ❖ Currency volatility and global macroeconomic headwinds.
- ❖ Tax and regulatory uncertainties in Nepal, Sri Lanka and Indonesia.
- ❖ Heightened competition in Malaysia, Indonesia, Bangladesh, Singapore and India.

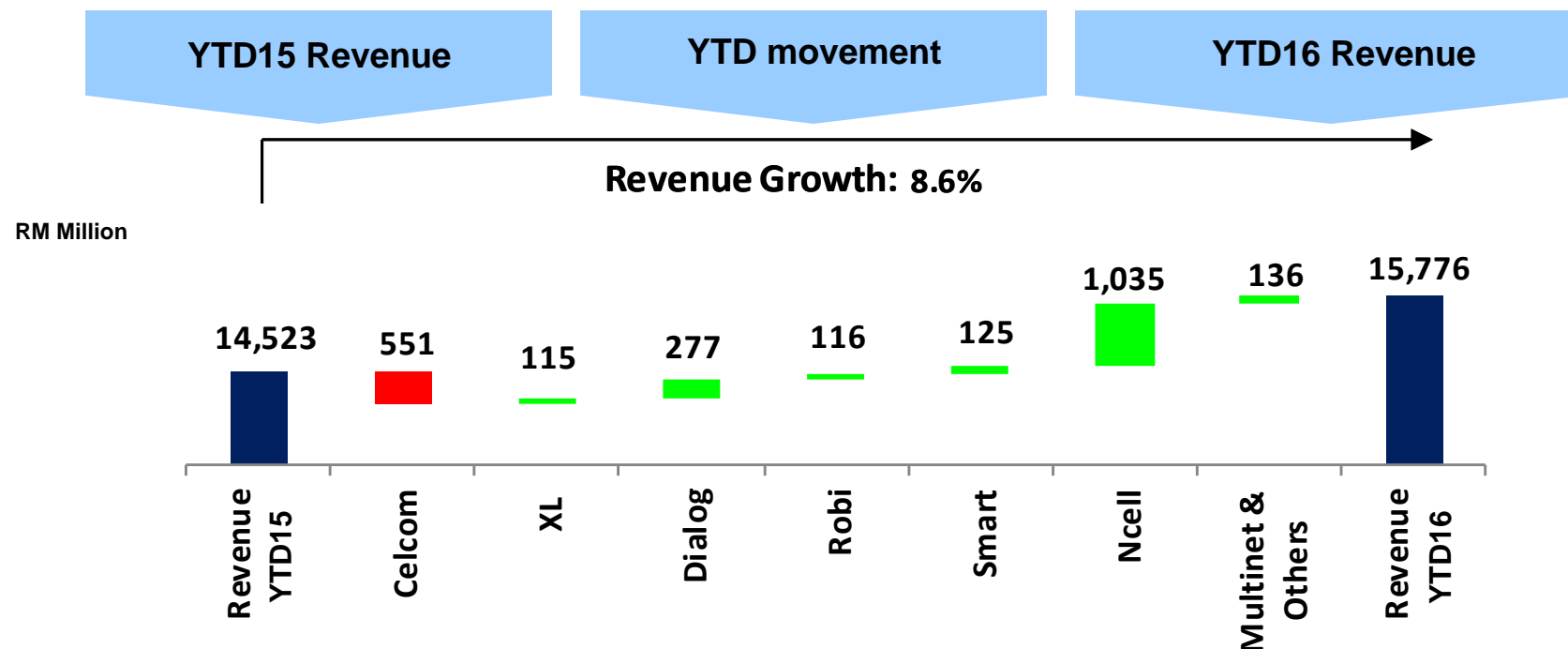


# Appendix



# Group revenue: YTD15 → YTD16

YTD revenue growth lifted by consolidation of Ncell, forex translation and strong growth in data revenue (+31.8%).

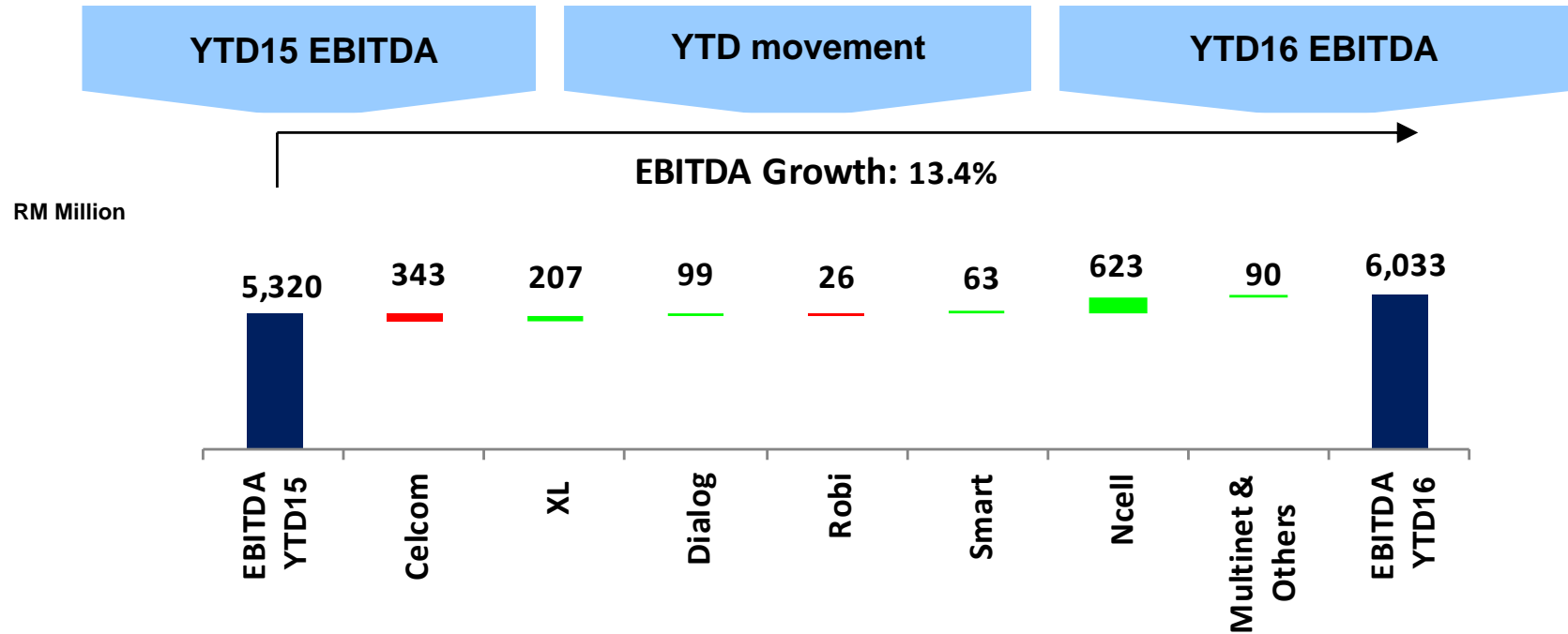


Revenue	YTD15	YTD Growth Rates		Revenue	YTD16
Celcom	5,520	-551	-10.0%	Celcom	4,969
XL	4,823	+115	+2.4%	XL	4,938
Dialog	1,519	+277	+18.3%	Dialog	1,796
Robi	1,870	+116	+6.2%	Robi	1,986
Smart	658	+125	+19.0%	Smart	783
Ncell	-	+1,035	na	Ncell	1,035
Multinet & Others	133	+136	+>100%	Multinet & Others	269
<b>GROUP</b>	<b>14,523</b>	<b>+1,253</b>	<b>+8.6%</b>	<b>GROUP</b>	<b>15,776</b>



# Group EBITDA: YTD15 → YTD16

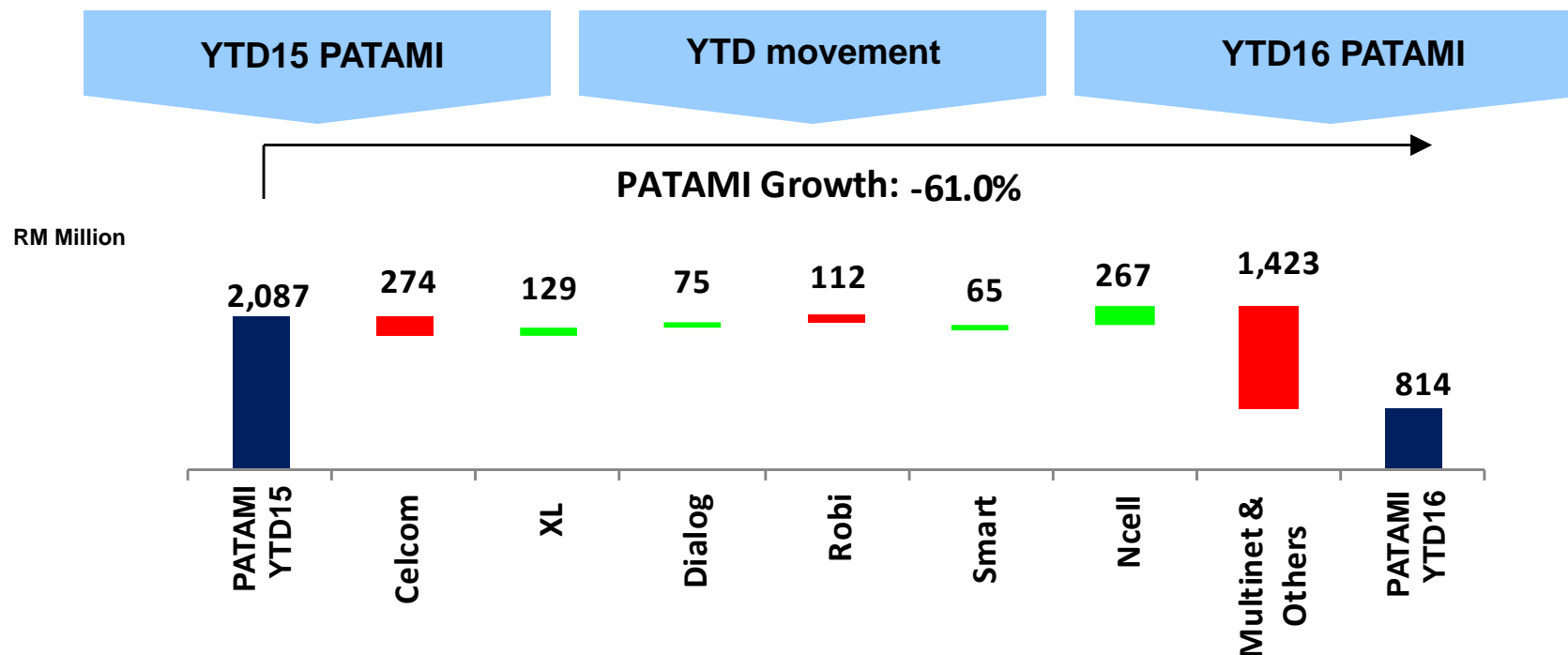
YTD EBITDA growth lifted by consolidation of Ncell, and higher contribution from XL, Dialog and Smart.



EBITDA	YTD15	YTD Growth Rates		EBITDA	YTD16
Celcom	2,062	-343	-16.6%	Celcom	1,719
XL	1,793	+207	+11.6%	XL	2,000
Dialog	513	+99	+19.2%	Dialog	612
Robi	676	-26	-3.9%	Robi	650
Smart	329	+63	+18.9%	Smart	392
Ncell	-	+623	na	Ncell	623
Multinet & Others	(53)	+90	>+100%	Multinet & Others	37
<b>GROUP</b>	<b>5,320</b>	<b>+713</b>	<b>+13.4%</b>	<b>GROUP</b>	<b>6,033</b>

# Group PATAMI: YTD15 → YTD16

YTD PATAMI growth impacted by lower contribution from Celcom, Robi, Idea; and higher D&A, finance cost and forex losses.

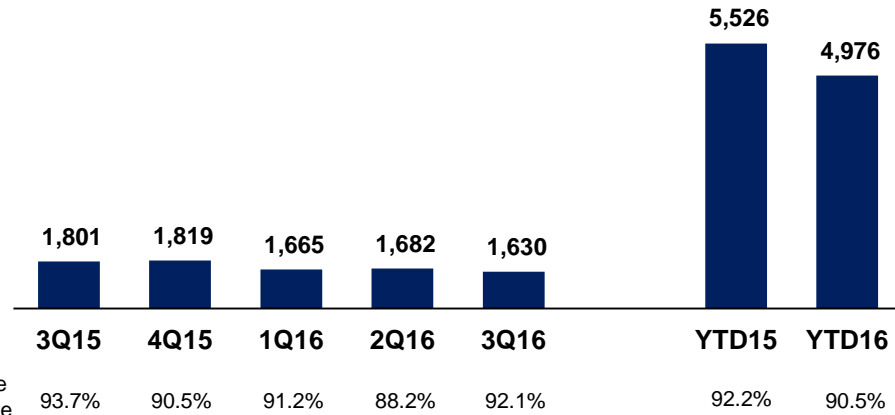


PATAMI	YTD15	YTD Growth Rates		PATAMI	YTD16
Celcom	1,037	-274	-26.4%	Celcom	763
XL	(98)	+129	+>100%	XL	31
Dialog	107	+75	+69.9%	Dialog	182
Robi	134	-112	-83.8%	Robi	22
Smart	140	+65	+46.3%	Smart	205
Ncell	-	+267	na	Ncell	267
Multinet & Others	767	-1,423	->100%	Multinet & Others	(656)
<b>GROUP</b>	<b>2,087</b>	<b>-1,273</b>	<b>-61.0%</b>	<b>GROUP</b>	<b>814</b>

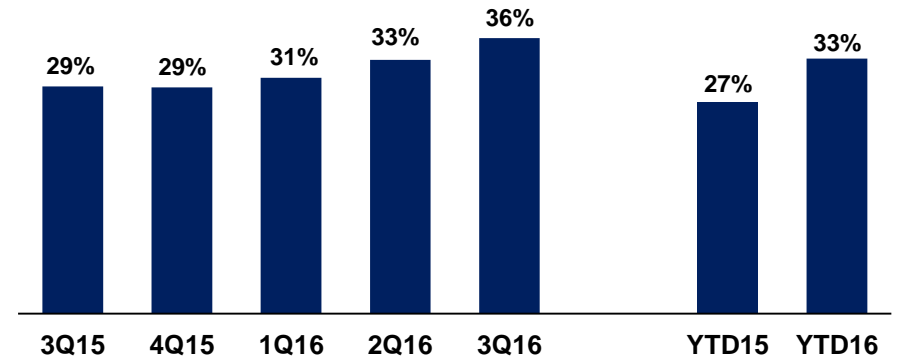
# Celcom: financial performance

3Q16 service revenue growth turns positive after three consecutive quarters of decline

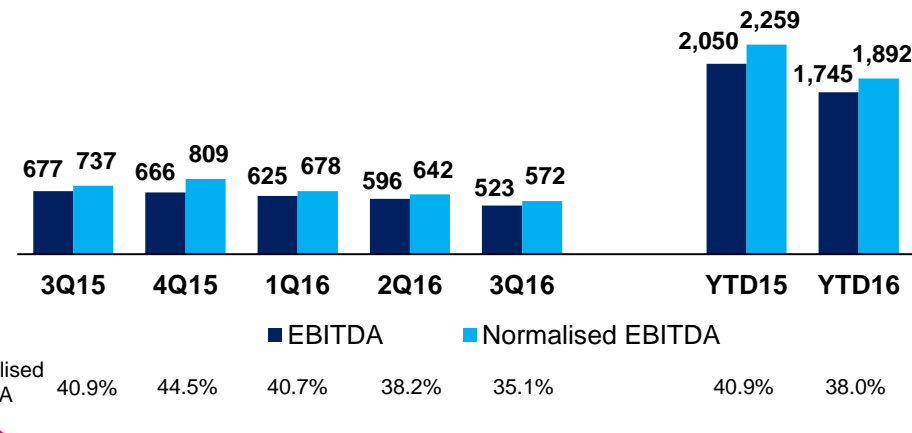
## Revenue (RM mn)



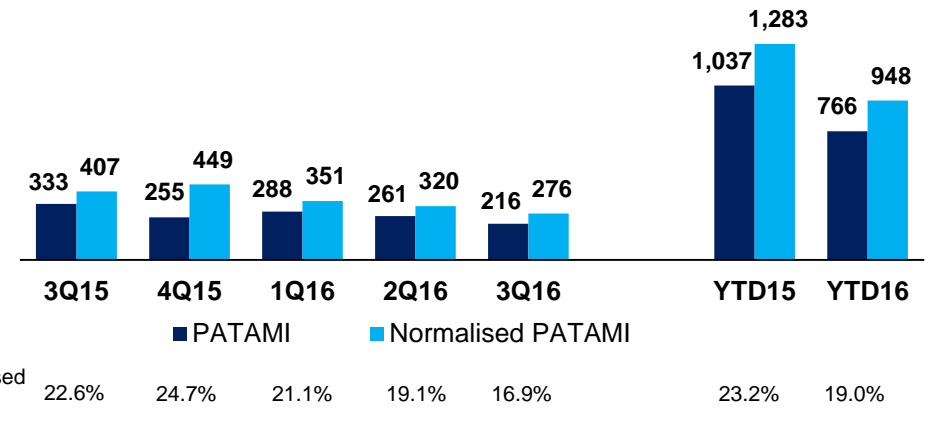
## Data revenue as a % of total revenue



## EBITDA\* (RM mn) & margins (%)



## PATAMI\* (RM mn) & margins (%)



\* Normalisation excludes holding company charge, impact of Edotco disposal, Escape, Celcom Planet, Employee Wish Plan, Sukuk interest

# Celcom: financial performance

YTD EBITDA impacted by network cost (higher number of sites), but partially offset by lower direct expenses (lower content and MVNO cost)



## Operating Expenses\*

% of Revenue	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
Direct Expenses	27.4%	27.4%	23.3%	23.6%	22.8%	28.3%	23.3%
Sales and Marketing	6.7%	7.3%	8.3%	7.9%	7.4%	6.8%	7.9%
Network Cost	14.1%	11.5%	13.6%	15.8%	18.2%	12.3%	15.9%
Staff Cost	5.4%	4.5%	8.2%	6.3%	8.9%	6.2%	7.8%
Bad Debts	0.2%	0.1%	0.5%	-0.2%	0.1%	0.3%	0.1%
Others	5.2%	4.8%	5.3%	8.4%	7.4%	5.2%	7.0%
<b>Total Expenses</b>	<b>59.1%</b>	<b>55.5%</b>	<b>59.3%</b>	<b>61.8%</b>	<b>64.9%</b>	<b>59.1%</b>	<b>62.0%</b>
<b>Normalised EBITDA Margin</b>	<b>40.9%</b>	<b>44.5%</b>	<b>40.7%</b>	<b>38.2%</b>	<b>35.1%</b>	<b>40.9%</b>	<b>38.0%</b>
Depreciation & Amortisation	11.7%	12.8%	12.9%	13.0%	12.5%	11.3%	12.8%

## Financial Position (RM mn)

	30 Sept 15	31 Dec 15	31 Mar 16	30 June 16	30 Sept 16
Capex	558	885	174	446	892
Cash and Cash Equivalents	1,312	1,535	1,695	841	1,279
Gross Debt	4,482	4,526	4,488	4,535	4,495
Net Assets	-1,133	-878	-591	-1,330	-1,111
Gross Debt / Equity (x)	n/m	n/m	n/m	n/m	n/m
Gross Debt / EBITDA (x)	1.5	1.5	1.7	1.7	1.8

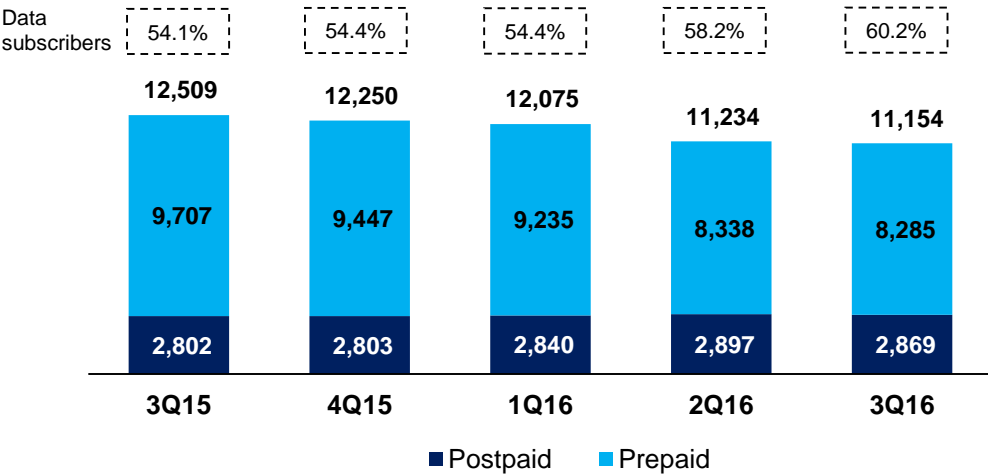
\* OPEX and EBITDA Margin excludes holding company charge, impact of Edotco disposal, Escape and Employee Wish Plan

# Celcom: operational performance

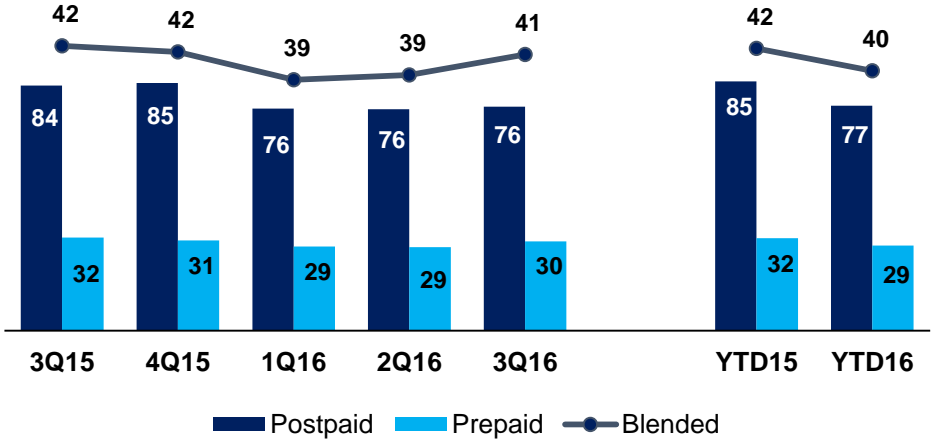
Data usage/data subscriber rises to 3.2GB/month in 3Q16



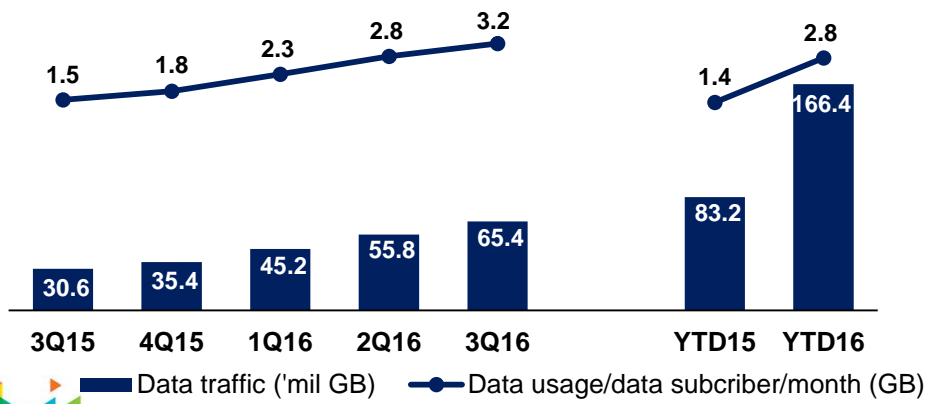
## Subscribers ('000)



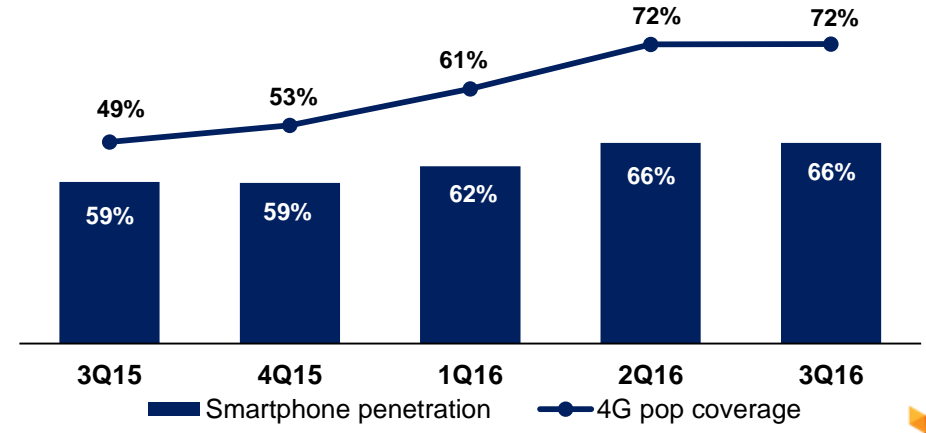
## ARPU\* (RM)



## Data traffic ('mil GB) and data usage (GB)



## Smartphone penetration and 4G pop coverage (%)



\* ARPU re-stated to exclude inbound roaming revenue

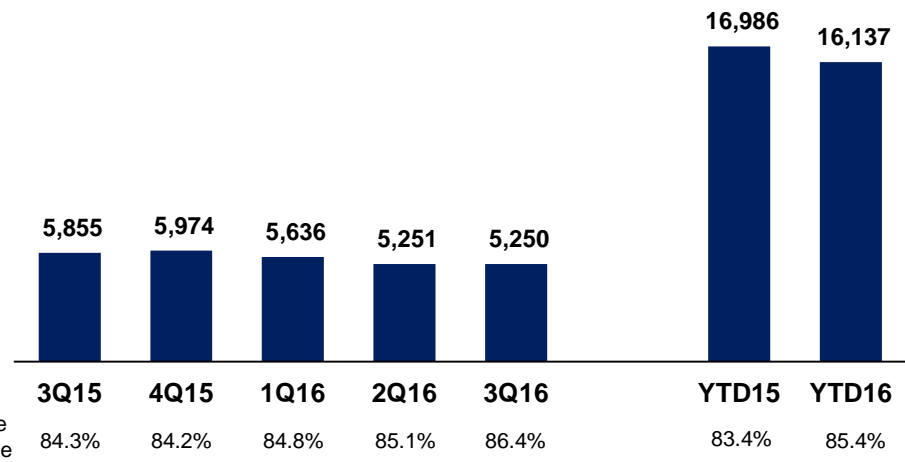


# XL: financial performance

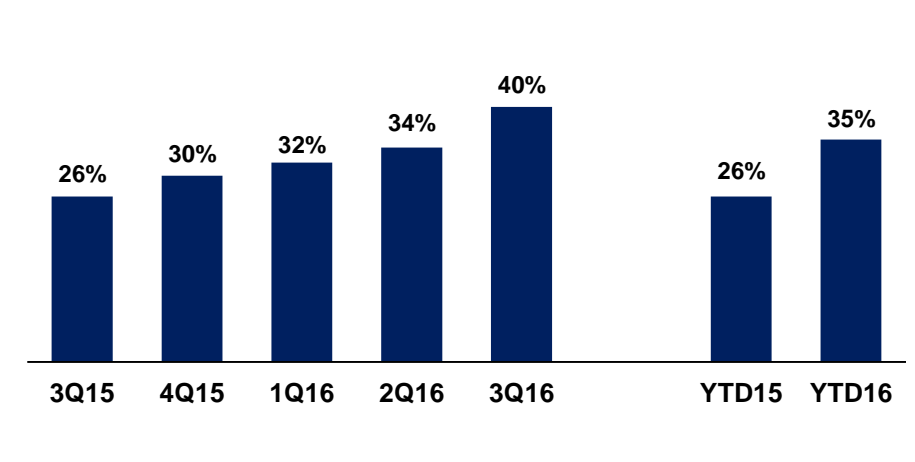
Service revenue grew 1.6% QoQ driven by growth in data



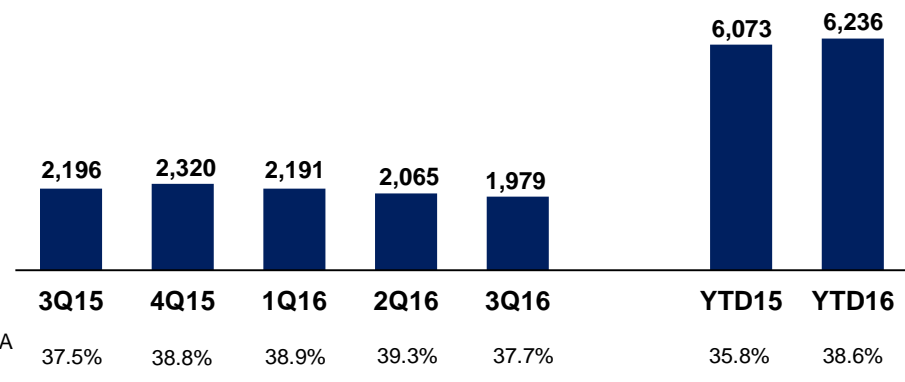
## Revenue (IDR bn)



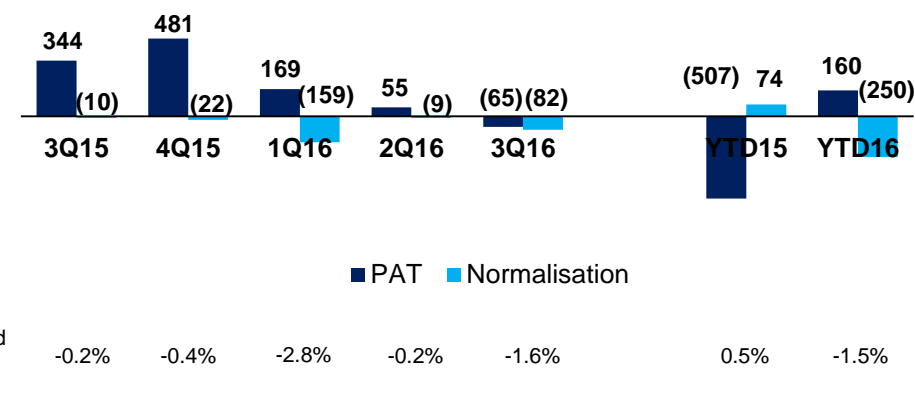
## Data revenue as a % of total revenue



## EBITDA (IDR bn) & margins (%)



## PAT (IDR bn) & margins (%)



EBITDA Margin

Normalised PAT Margin



# XL: financial performance

3Q16 EBITDA margin impacted by sale & leaseback of towers, and higher sales & marketing expenses for better trade and network visibility

## Operating Expenses

% of Revenue	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
Direct Expenses	9.1%	9.3%	7.2%	8.0%	10.0%	10.4%	8.4%
Sales and Marketing	5.2%	5.7%	5.8%	5.2%	7.3%	4.6%	6.1%
Network Cost	40.3%	38.7%	39.3%	40.0%	37.4%	41.1%	38.9%
Staff Cost	4.7%	4.8%	5.8%	5.3%	5.0%	4.7%	5.4%
Others incl. discount	3.1%	2.7%	3.0%	2.2%	2.6%	3.4%	2.6%
<b>Total Expenses</b>	<b>62.5%</b>	<b>61.2%</b>	<b>61.1%</b>	<b>60.7%</b>	<b>62.3%</b>	<b>64.2%</b>	<b>61.4%</b>
<b>EBITDA Margin</b>	<b>37.5%</b>	<b>38.8%</b>	<b>38.9%</b>	<b>39.3%</b>	<b>37.7%</b>	<b>35.8%</b>	<b>38.6%</b>
Depreciation & Amortisation	28.7%	31.5%	33.2%	39.8%	34.3%	30.9%	35.7%

## Financial Position (IDR bn)

	30 Sept 15	31 Dec 15	31 Mar 16	30 Jun 16	30 Sept 16
Capitalised Capex	4,330	4,848	1,048	2,263	3,450
Cash and Cash Equivalents	3,644	3,312	2,222	6,217	3,343
Gross Debt	27,049	26,953	25,229	17,888	15,157
Net Assets	13,620	14,092	14,270	21,018	20,945
Gross Debt / Equity (x)	2.0	1.9	1.8	0.9	0.7
Gross Debt / EBITDA (x)	3.2	3.2	2.9	2.0	1.8



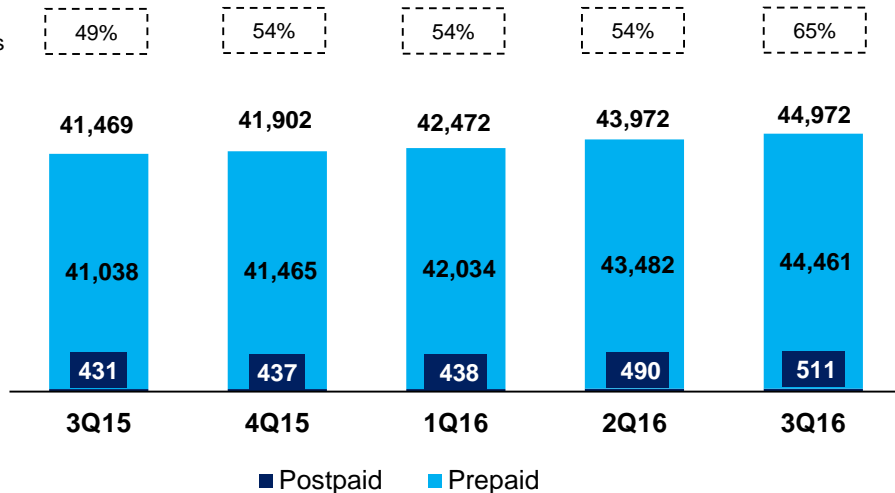
# XL: operational performance

Strong data-led metrics; smartphone penetration hitting 60% driving higher consumption of data

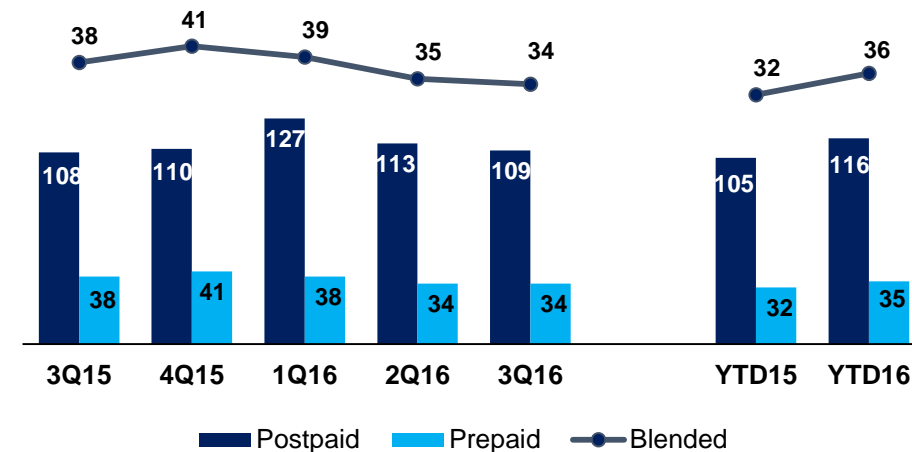


## Subscribers ('000)

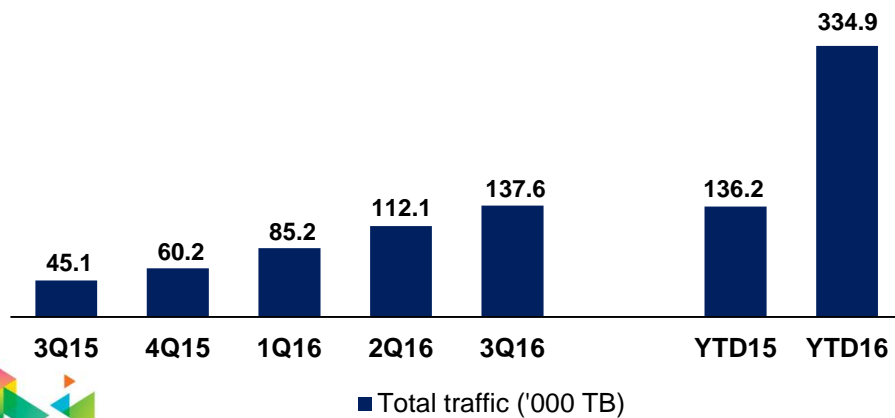
Data subscribers



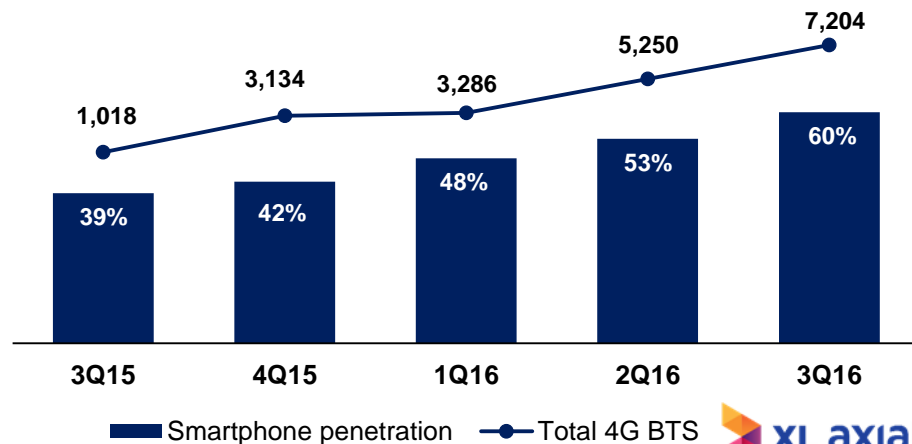
## ARPU (IDR '000)



## Total traffic ('000 TB)



## Smartphone penetration (%) and 4G BTS



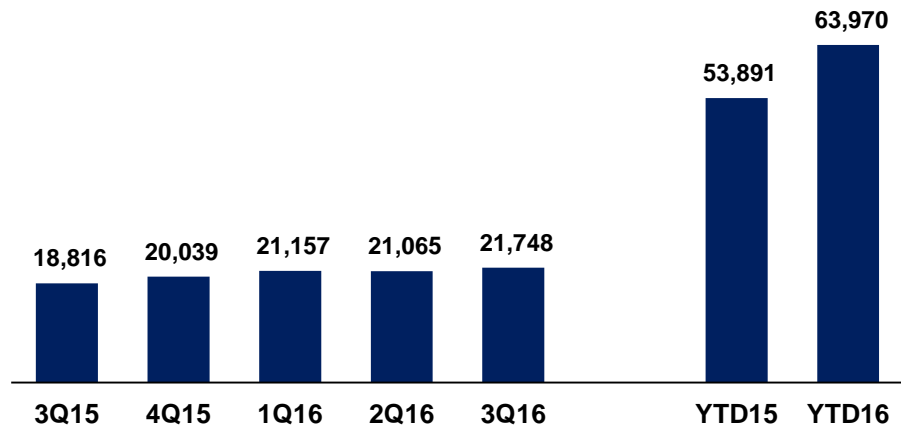


# Dialog: financial performance

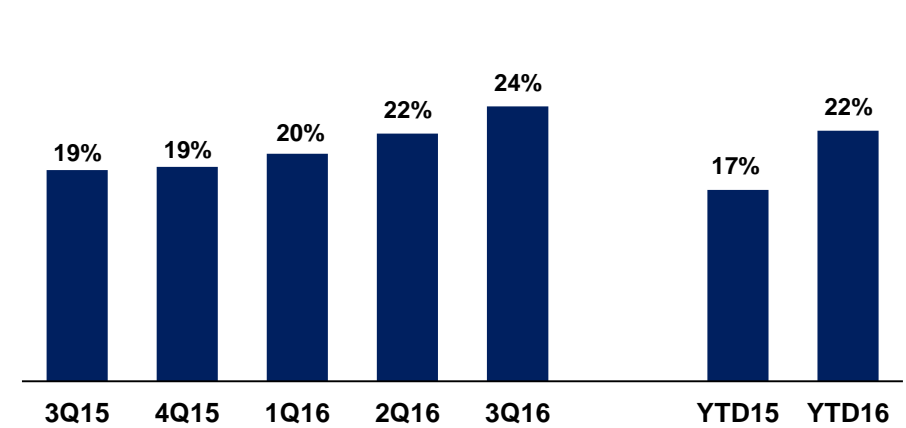
Strong YTD performance driven by mobile and fixed broadband, coupled with positive impact from temporary suspension of consumption taxes in 3Q16



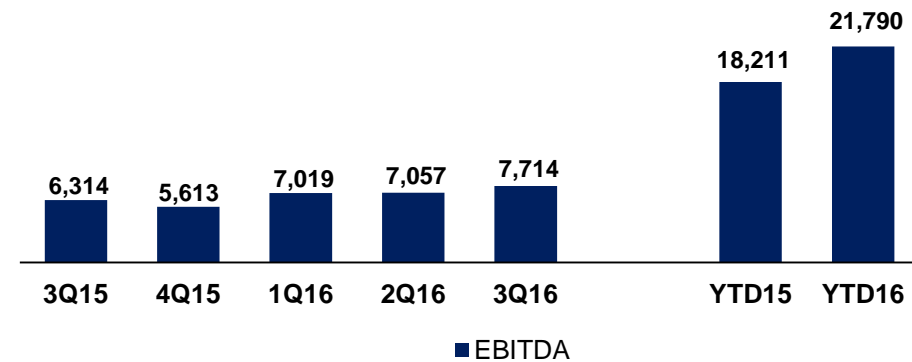
## Revenue (SLR mn)



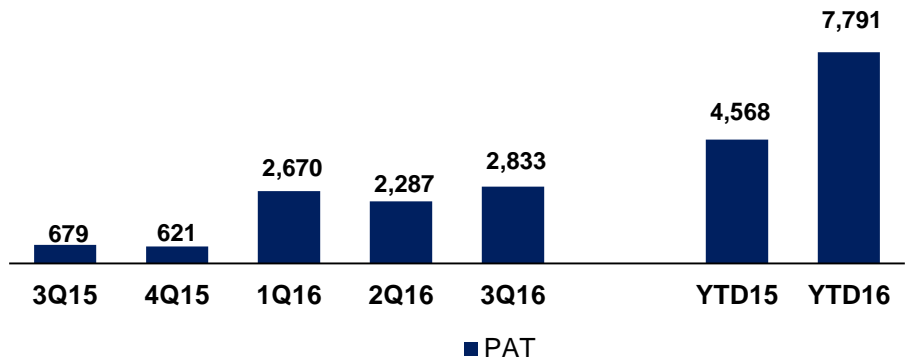
## Data revenue as a % of total mobile revenue\*



## EBITDA (SLR mn) & margins (%)



## PAT (SLR mn) & margins (%)



EBITDA Margin 33.6% 28.0% 33.2% 33.5% 35.5% 33.8% 34.1%

PAT Margin 3.6% 3.1% 12.6% 10.9% 13.0% 8.5% 12.2%

\* Total Mobile Revenue includes Mobile, Data & Digital Services and excludes Dialog Tele-Infrastructure & International



# Dialog: financial performance

YTD EBITDA growth of 19.7% driven by strong revenue growth of 18.7% and cost rescaling initiatives

## Operating Expenses<sup>1</sup>

% of Revenue	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
Direct Expenses	29.0%	28.5%	29.9%	27.7%	26.1%	28.9%	27.9%
Sales and Marketing	13.3%	15.6%	13.7%	13.8%	14.8%	12.9%	14.1%
Network Cost	13.3%	11.3%	12.2%	11.9%	12.8%	13.8%	12.3%
Staff Cost	7.8%	9.9%	7.8%	7.5%	8.1%	8.0%	7.8%
Bad debts	1.0%	1.1%	1.0%	2.5%	0.2%	1.0%	1.2%
Others	2.0%	5.6%	2.0%	3.1%	2.5%	1.7%	2.6%
<b>Total Expenses</b>	<b>66.4%</b>	<b>72.0%</b>	<b>66.8%</b>	<b>66.5%</b>	<b>64.5%</b>	<b>66.2%</b>	<b>65.9%</b>
<b>EBITDA Margin</b>	<b>33.6%</b>	<b>28.0%</b>	<b>33.2%</b>	<b>33.5%</b>	<b>35.5%</b>	<b>33.8%</b>	<b>34.1%</b>
Depreciation & Amortisation	18.8%	20.1%	17.4%	18.1%	18.9%	19.2%	18.1%

## Financial Position (SLR mn)

	30 Sept 15	31 Dec 15	31 Mar 16	30 Jun 16	30 Sept 16
Capex <sup>2</sup>	8,959	19,577	2,942	7,091	12,742
Cash and Cash Equivalents <sup>3</sup>	8,208	4,429	9,741	3,653	5,072
Gross Debt	26,187	22,910	31,540	31,850	31,916
Net Assets	48,285	47,317	49,935	49,609	52,510
Gross Debt / Equity (x)	0.5	0.5	0.6	0.6	0.6
Gross Debt / EBITDA (x)	1.1	1.0	1.1	1.1	1.1

<sup>1</sup> Restated. Spectrum fees now included under 'network cost' instead of 'others'.

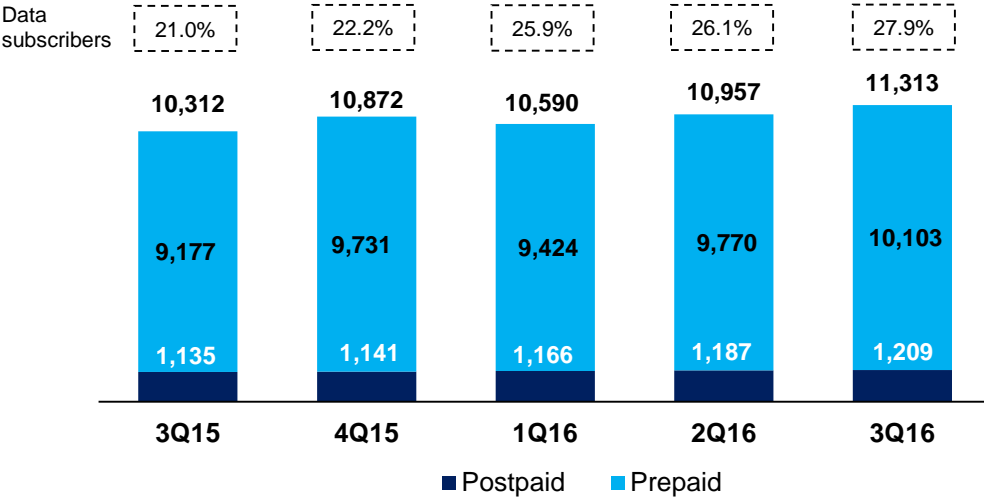
<sup>2</sup> Capex excludes Customer Premises Equipment investments and spectrum acquisition & license renewal

<sup>3</sup> Excludes cash from overdraft facilities

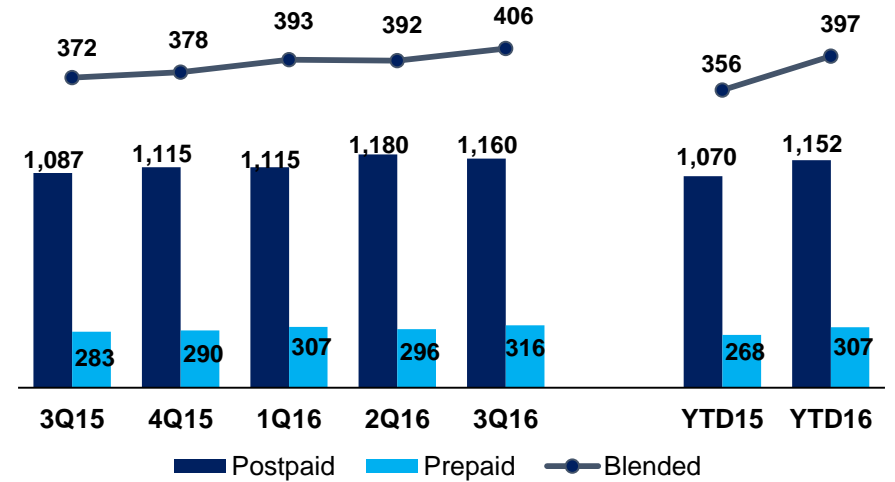
# Dialog: operational performance

Mobile subscribers grew 9.7% YoY and YTD ARPU increased 11.5% YoY

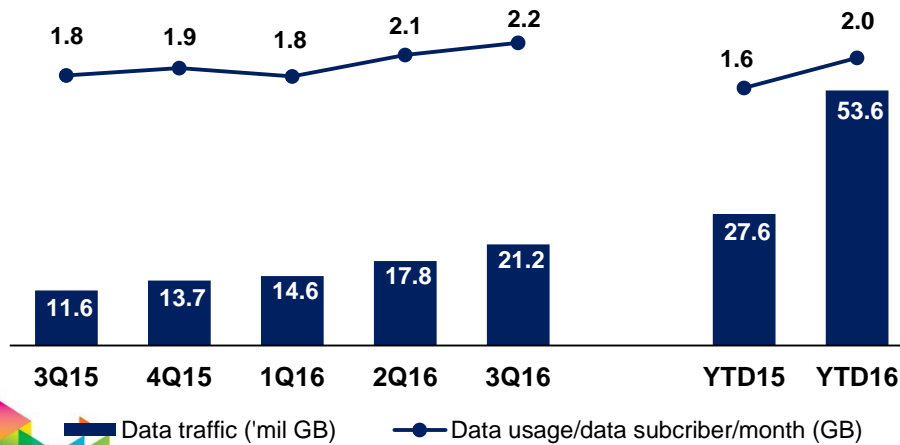
## Subscribers\* ('000)



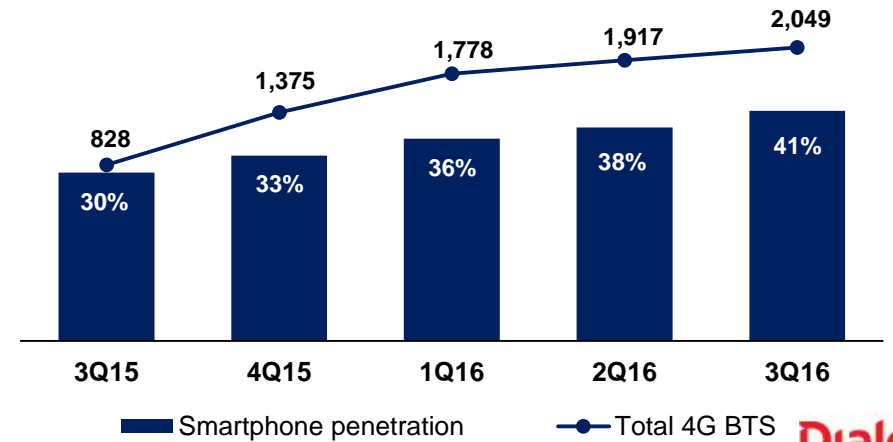
## ARPU\* (SLR)



## Data traffic ('mil GB) and data usage (GB)



## Smartphone penetration (%) and 4G BTS

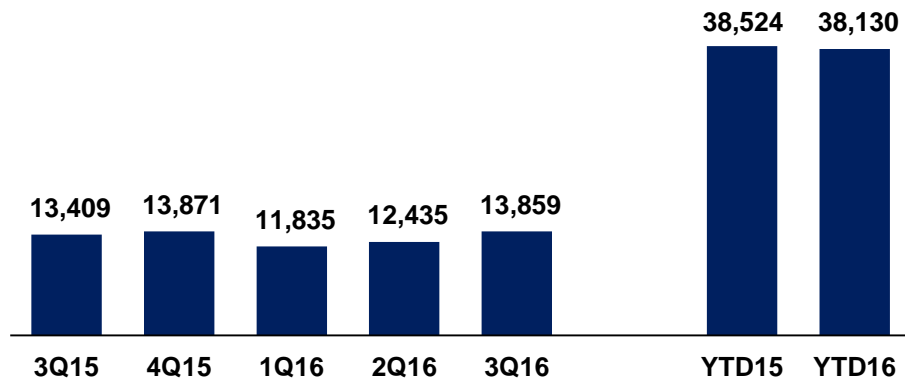


\* Restated for 2Q16 subscribers and ARPU.

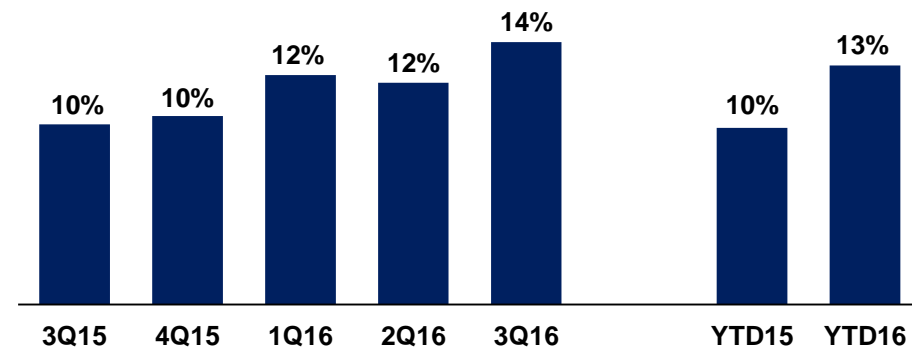
# Robi: financial performance

QoQ revenue growth of 11.5% driven by higher device sales and co-branding, and data

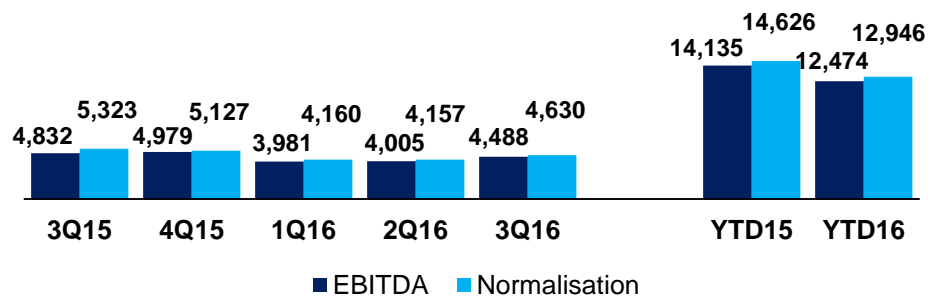
## Revenue (BDT mn)



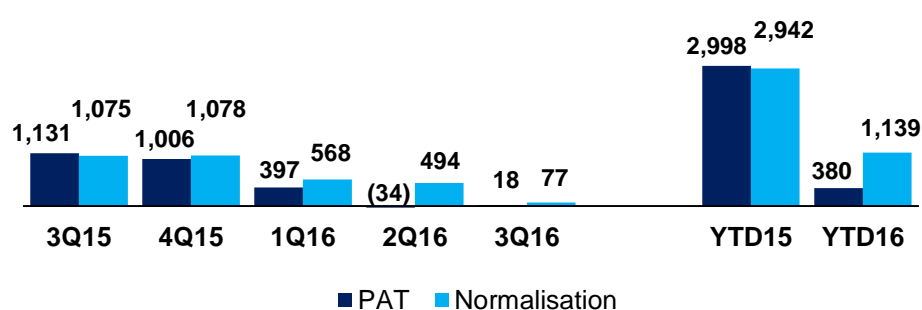
## Data revenue as a % of total revenue



## EBITDA\* (BDT mn) & margins (%)



## PAT\* (BDT mn) & margins (%)



	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
EBITDA Margin	36.0%	35.9%	33.6%	32.2%	32.4%	36.7%	32.7%
Normalised EBITDA Margin	39.7%	37.0%	35.1%	33.4%	33.4%	38.0%	34.0%

	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
PAT Margin	8.4%	7.3%	3.4%	-0.3%	0.1%	7.8%	1.0%
Normalised PAT Margin	8.0%	7.8%	4.8%	4.0%	0.6%	7.6%	3.0%

\* Normalisation excludes impact of edotco carve out in 3Q15

# Robi: financial performance

Higher network cost and D&A charges due to 2G network swap and 3G rollout

## Operating Expenses\*

% of Revenue	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
<b>Direct Expenses</b>	<b>28.2%</b>	<b>29.5%</b>	<b>21.8%</b>	<b>25.5%</b>	<b>29.7%</b>	<b>25.1%</b>	<b>25.9%</b>
Sales and Marketing	12.9%	13.1%	13.1%	13.7%	12.6%	12.7%	13.1%
Network Cost	13.0%	10.9%	16.9%	16.1%	13.1%	13.5%	15.3%
Staff Cost	5.4%	5.3%	5.8%	5.6%	5.2%	5.2%	5.5%
Bad debts	0.6%	-1.5%	0.4%	-0.9%	0.4%	1.3%	0.0%
Others	0.2%	5.8%	6.8%	6.5%	5.7%	4.2%	6.3%
<b>Total Expenses</b>	<b>60.3%</b>	<b>63.0%</b>	<b>64.9%</b>	<b>66.6%</b>	<b>66.6%</b>	<b>62.0%</b>	<b>66.0%</b>
<b>Normalised EBITDA Margin</b>	<b>39.7%</b>	<b>37.0%</b>	<b>35.1%</b>	<b>33.4%</b>	<b>33.4%</b>	<b>38.0%</b>	<b>34.0%</b>
Depreciation & Amortisation	20.9%	20.4%	27.8%	29.7%	28.6%	21.2%	28.7%

## Financial Position (BDT mn)

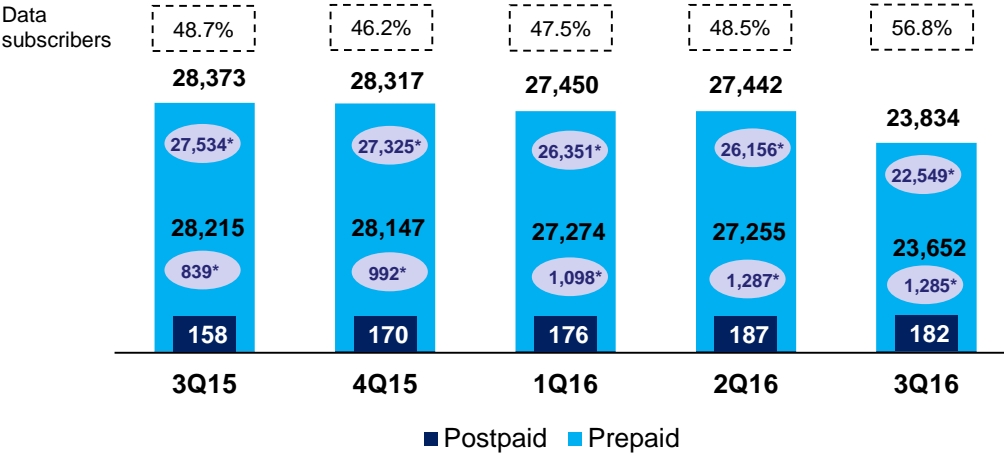
	30 Sep 15	31 Dec 15	31 Mar 16	30 Jun 16	30 Sept 16
Capex	17,844	19,996	4,435	9,991	12,917
Cash and Cash Equivalents	2,604	1,943	3,395	4,968	4,229
Gross Debt	13,141	15,004	22,029	21,720	19,480
Net Assets	53,884	54,890	55,287	55,253	55,270
Gross Debt / Equity (x)	0.2	0.3	0.4	0.4	0.4
Gross Debt / EBITDA (x)	0.7	0.8	1.4	1.4	1.2

\* Restated. Commission expenses included under 'sales and marketing expenses' and leased line expenses included under 'Network costs'. Prior to this, both of these items were included under direct expenses.

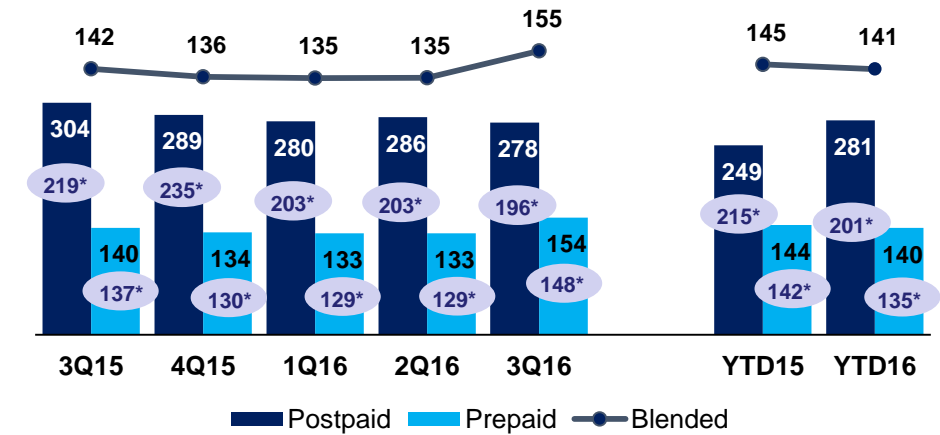
# Robi: operational performance

QoQ ARPU improvement due to lower subscriber base, which was impacted by SIM bio-metric registration

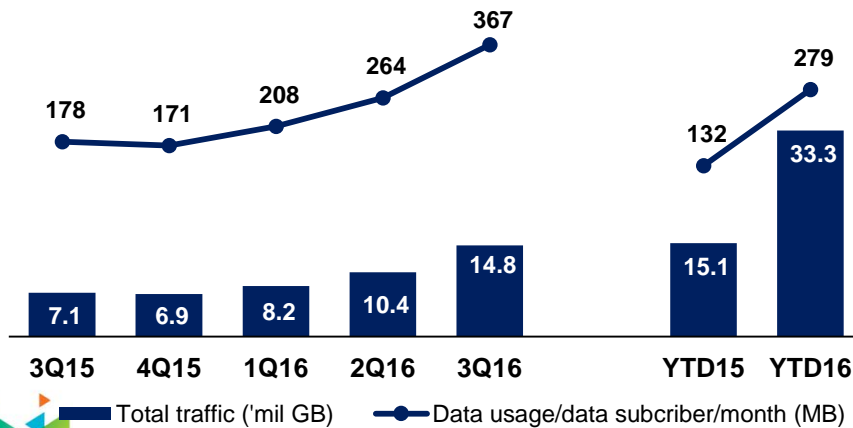
## Subscribers ('000)



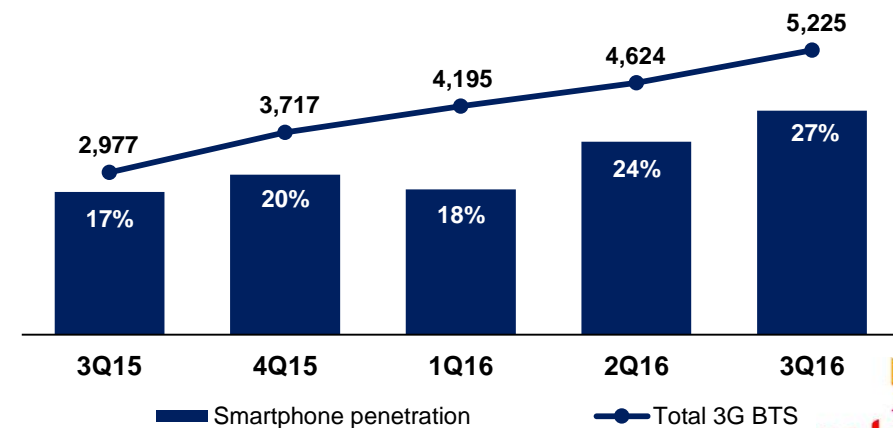
## ARPU (BDT)



## Data traffic ('mil GB) and data usage (MB)



## Smartphone penetration (%) and 3G BTS

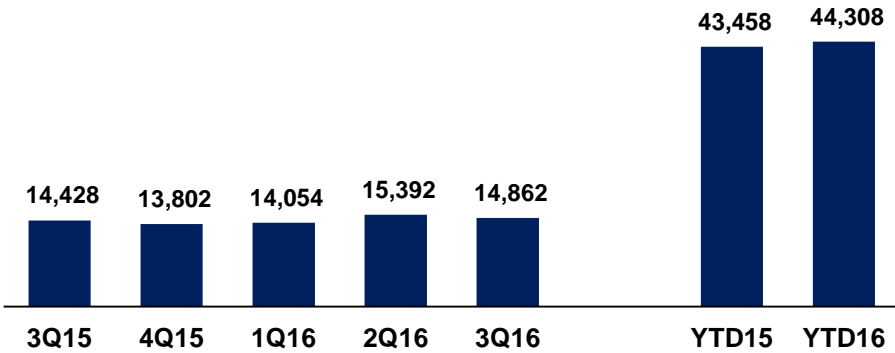


# Ncell: financial performance

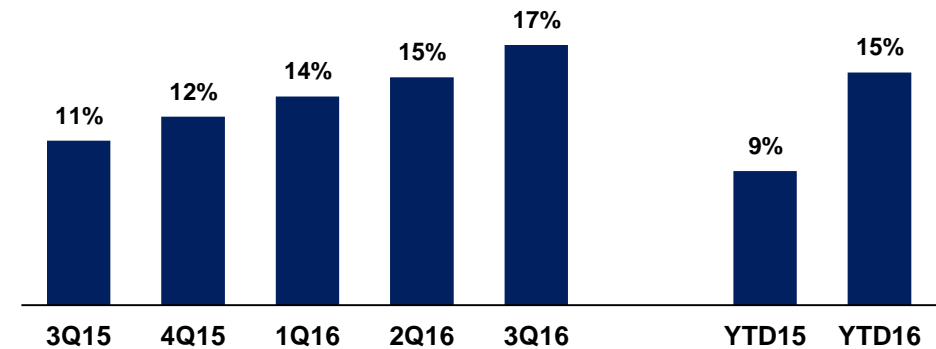
Excellent YTD performance driven by strong growth in mobile, partially offset by ILD



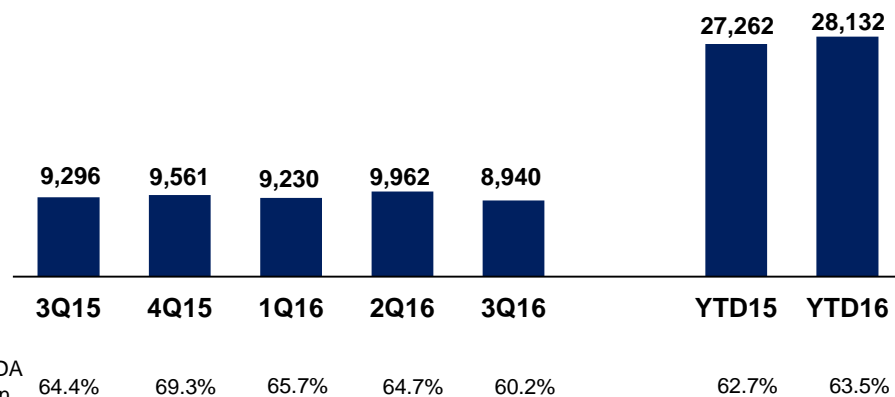
## Revenue (NPR mn)



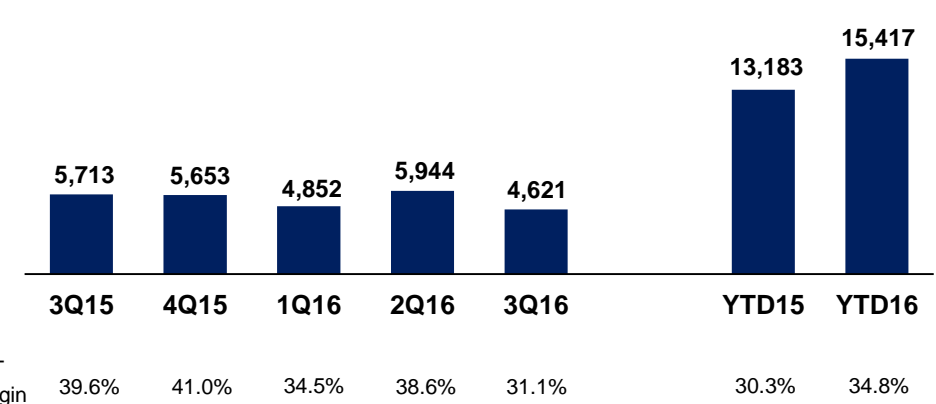
## Data revenue as a % of total revenue



## EBITDA (NPR mn) & margins (%)



## PAT (NPR mn) & margins (%)



EBITDA Margin

PAT Margin



# Ncell: financial performance

3Q16 EBITDA impacted by rebranding exercise and spectrum fee reclassification

## Operating Expenses

% of Revenue	3Q15	4Q15	1Q16	2Q16	3Q16	YTD15	YTD16
Direct Expenses	9.3%	8.3%	8.2%	8.7%	8.6%	10.6%	8.5%
Sales and Marketing	5.0%	3.8%	4.9%	5.2%	8.1%	4.9%	6.1%
Network Cost	6.8%	4.0%	7.0%	7.2%	9.9%	7.5%	8.1%
Staff Cost	6.0%	5.5%	5.8%	5.6%	5.3%	5.7%	5.5%
Bad debts	-	1.5%	-	0.3%	-0.3%	0.0%	0.0%
Others	8.4%	7.6%	8.4%	8.3%	8.2%	8.6%	8.3%
<b>Total Expenses</b>	<b>35.6%</b>	<b>30.7%</b>	<b>34.3%</b>	<b>35.3%</b>	<b>39.8%</b>	<b>37.3%</b>	<b>36.5%</b>
<b>EBITDA Margin</b>	<b>64.4%</b>	<b>69.3%</b>	<b>65.7%</b>	<b>64.7%</b>	<b>60.2%</b>	<b>62.7%</b>	<b>63.5%</b>
Depreciation & Amortisation	16.4%	17.9%	18.1%	16.6%	16.0%	11.0%	11.5%

## Financial Position (NPR mn)

	30 Sept 15	31 Dec 15	31 Mar 16	30 June 16	30 Sept 16
Capitalised Capex	8,035	11,409	1,323	2,570	4,140
Cash and Cash Equivalents	35,305	41,523	42,711	41,985	47,975
Gross Debt	-	-	-	-	-
Net Assets	62,386	68,039	72,892	78,835	83,456
Gross Debt / Equity (x)	-	-	-	-	-
Gross Debt / EBITDA (x)	-	-	-	-	-

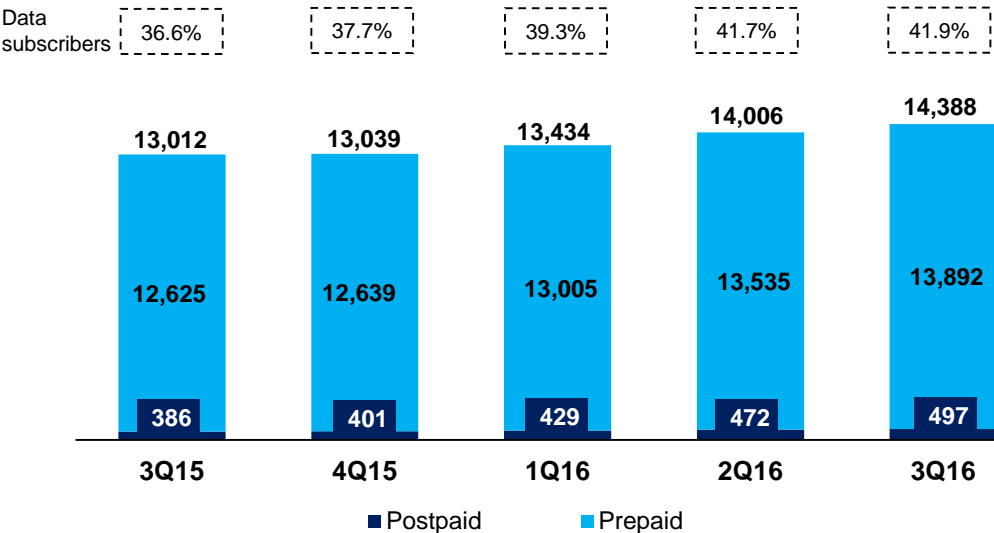




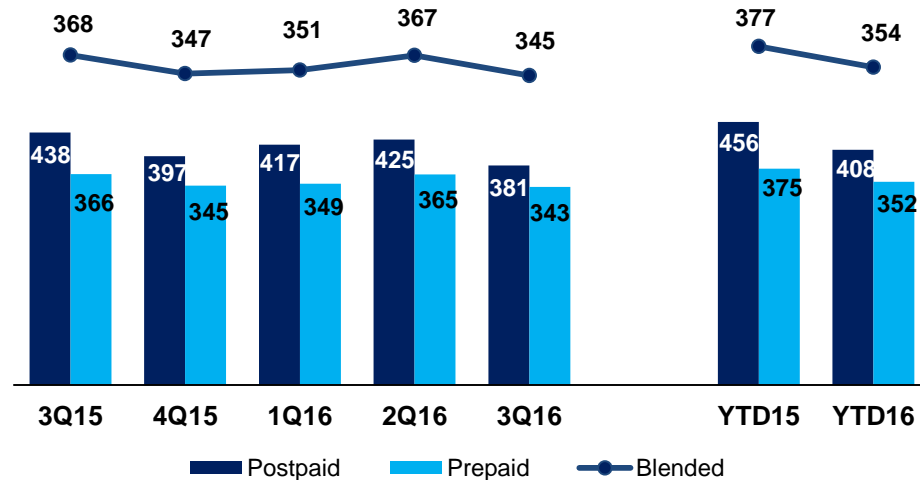
# Ncell: operational performance

Positive subscriber trend; seasonally weak quarter impacts ARPU

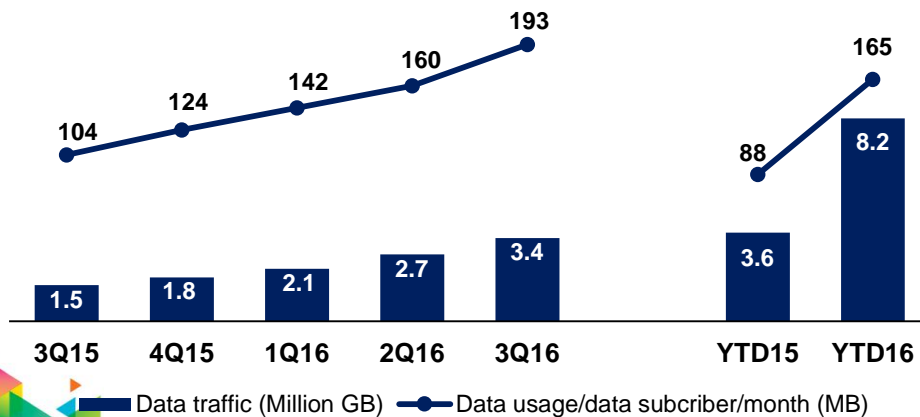
## Subscribers ('000)



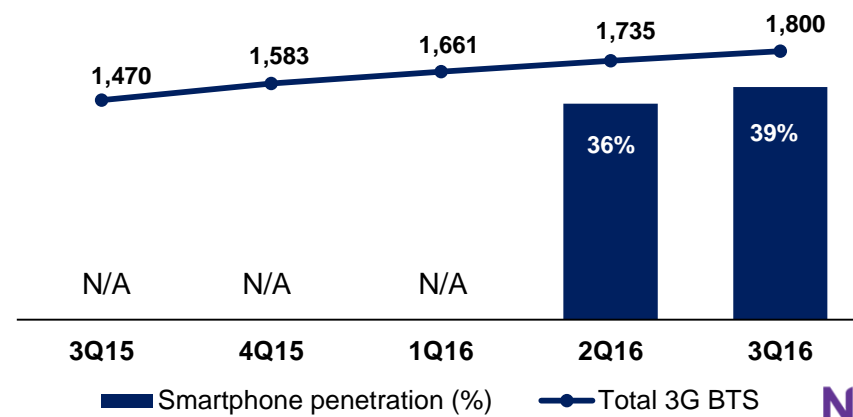
## ARPU (NPR)



## Data traffic ('mil GB) and data usage (MB)



## Smartphone penetration\* (%) and 3G BTS



\* Restated

Local Currency	Average Rate YTD Sep'15	Average Rate 2Q16	Average Rate 3Q16	Average Rate YTD Sep'16	QoQ Appreciation/ (Depreciation) against MYR  (%)	YTD Appreciation/ (Depreciation) against MYR  (%)	QoQ Appreciation/ (Depreciation) against USD  (%)	YTD Appreciation/ (Depreciation) against USD  (%)
INDONESIAN RUPIAH, IDR	0.000285	0.000301	0.000308	0.000307	2.33	7.72	1.26	(0.49)
SRI LANKA RUPEE, LKR	0.028182	0.027417	0.027804	0.028075	1.41	(0.38)	0.36	(7.97)
BANGLADESHI TAKA, BDT	0.048547	0.051112	0.051712	0.052077	1.17	7.27	0.12	(0.90)
US DOLLAR, USD	3.773810	4.007443	4.049619	4.084974	1.05	8.25	0.00	0.00
SINGAPORE DOLLAR, SGD	2.767347	2.950140	2.994435	2.978403	1.50	7.63	0.44	(0.57)
PAKISTAN RUPEE, PKR	0.036994	0.038281	0.038693	0.039014	1.08	5.46	0.02	(2.57)
INDIAN RUPEE, INR	0.059357	0.059917	0.060465	0.060857	0.91	2.53	(0.14)	(5.28)
NEPALESE RUPEE, NPR	NA	0.037534	0.037789	0.037671	0.68	NA	(0.37)	NA

Source: Bloomberg



# Thank You

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