

MEDIA RELEASE

Axiata Starts the Year on an Excellent Note with Revenue up 8% and EBITDA 4% YoY

- **Celcom showed strong revenue growth of 10%**
- **XL, Dialog had robust YoY growth of 9% and 18% respectively; performed better than market**
- **Robi continues with high double digit Revenue, EBITDA and PAT growth of 27%, 26% and more than 100% respectively**

Kuala Lumpur, 22 May, 2012 – Axiata Group Berhad (“**Axiata**”), today announced strong results for the first quarter of 2012 which saw positive trends continuing across operating companies (“**OpCos**”).

The Group reported revenue of RM4.3 billion, up 8% year-on-year (“**YoY**”), despite the continuing strength of the Ringgit. This was on the back of excellent performances at all major OpCos. In a traditionally flat quarter all OpCos performed well, especially against the industry, with most recording the highest ever 1Q results. Earnings before Interest, Tax, Depreciation and Amortisation (“**EBITDA**”) was up 4%, to RM1.8 billion. At constant currency, revenue and EBITDA growth would have been higher at 10% and 6% respectively. Similarly, Profit after Taxation and Minority Interests (“**PATAMI**”) excluding foreign translation impact, was up an impressive 19% to RM652 million. Even taking the strengthening Ringgit into consideration actual PATAMI was up 3%.

Regional mobile subscribers grew 24% YoY to over 200 million making the Group one of the largest telcos in the region.

STRONG DATA GROWTH CONTINUES AT CELCOM AND XL

Malaysia

Momentum was sustained into the 1st quarter of the year with Celcom continuing to show positive revenue growth for the 24th consecutive quarter. Revenue was up 10% whilst EBITDA increased by 5%. PATAMI was up 7% in the same period.

On a quarter-on-quarter (**QoQ**) basis, Celcom continued to show positive performance. In a traditionally slow quarter and despite coming off an exceptional 4Q11, which saw record breaking revenue and PATAMI growth, revenue was up by 0.4%. Excluding the sale of devices, revenue would have been 1.8%. Continued focus on costs saw EBITDA up by 2% with margins stable at 0.6 percentage points QoQ to 44%.

The quarter saw Celcom retain its leadership status in mobile broadband amidst increasing competition, with a total of 947,000 broadband subscribers. Revenue from broadband grew 15% YoY, now contributing 11% to total revenue. Strong growth was seen overall in non-voice services, with advanced data (excluding SMS) now contributing 22% to revenue. For 2012, Celcom will be focusing on this growth segment, ensuring rolling out of ubiquitous and seamless data connectivity.



Indonesia

XL began the year with continued strong performance particularly in data services. Revenue increased by 9% YoY to IDR4.95 trillion driven by a strong momentum in advanced data which grew 71%, SMS at 18% and voice of 4% YoY. Diligent focus in data showed a strong result with increased adoption of data services which led to higher contribution of 18% of usage revenue from 12% a year ago. Non-voice revenue now contributes half of XL's total usage revenue.

Data users have reached 27.9 million subscribers, an increase of 50% YoY which now accounts for 60% of subscribers. XL's BlackBerry subscribers also grew 185% YoY through a variety of BlackBerry service packages. The growth in data has been supported by strengthening of data infrastructure which saw acceleration of 3G rollout with more than 1,500 3G base stations in one quarter, ending with about 6,500 3G base stations in total. Execution of its data strategy also saw the removal of unlimited packages as XL remains focused on 'pay per use' or 'volume-based packages' with an aim to better monetise data offerings.

XL also successfully mitigated the substitution from voice to data with a positive YoY growth in voice for the first time in the last 4 quarters. EBITDA increased 1% YoY to IDR2.4 trillion with margins at 48% and net profit at IDR667 billion for the first quarter 2012.

Moving forward, with the strong opportunity in data, XL will continue its focus on improving further data access, experience and innovative offerings.

DOUBLE DIGIT GROWTH IN SOUTH ASIAN OPERATIONS

Sri Lanka

Dialog recorded strong growth in revenue during the 1st quarter to register SLR12.9 billion, a significant increase of 18% YoY. Growth in group revenue was driven by healthy performances in segmental revenues from mobile, international, digital pay television and tele-infrastructure businesses of the Group.

EBITDA was also up 27% in the same period to SLR4.5 billion. PAT however, was impacted primarily by the devaluation of the SLR. Group PAT normalised for the exceptional (non-cash) foreign exchange loss and one-off acquisition expenses were up 85% YoY.

Total subscribers grew 18% YoY with the introduction of innovative offers. Data also saw strong traction with data users growing 50% in the period, now accounting for 60% of total subscribers.

Moving forward, the strategy will remain to focus on mobile operations and rationalising the Group's cost structure.

Bangladesh

An excellent start was seen at Robi in Bangladesh posting the highest ever quarterly revenue growth of 9%. Revenue growth was achieved despite intensifying market competition.

On a YoY basis double digit growth was seen in all key metrics on the back of quality acquisition and retention saw. Revenue was up a strong 27% YoY and, despite aggressive

push for growth, cost was maintained with EBITDA up by 26%. Strong subscriber growth was also seen, up by 40% with PAT improving by more than 100% to BDT116 million.

STRONG PERFORMANCES AT ASSOCIATES

India

Idea finished the year strongly as the fastest growing Indian mobile operator with a 27% YoY revenue growth, nearly double the industry growth rate¹. This was despite a challenging environment of hyper competition and regulatory concerns. Idea contributed RM31 million to Group PAT. EBITDA in the period remained steady up by 26%. PAT was affected due to higher depreciation from its 3G investment.

The company's 3G plans are on track and high speed broadband services are now available across 20 service areas. Nearly 2.6 million customers are now active on the company's 3G platform.

Idea's healthy balance sheet, as well as its strong performance puts the company on solid footing to face emerging headwinds from the challenging regulatory environment and aggressive competition.

Singapore

M1 reported a strong start to the year with operating revenue increasing 2% YoY driven by growth in customer base and higher contribution from fixed services.

M1's total customer base stood at 2 million as at 31 March 2012 with average rate per user (ARPU) of SGD40. Non-voice services continued to grow, now accounting for 69% of total postpaid customer base. The growth momentum for mobile data and fixed services is expected to continue for the rest of 2012. The completion of the LTE network rollout as well as the Next Generation Nationwide Broadband Network in the second half of this year will enable M1 to capitalise on data growth in both the mobile and fixed segments.

Commentary

Axiata Chairman, Tan Sri Dato' Azman Hj. Mokhtar said "The quarter's results are an excellent start to the year. I am particularly pleased to see the Group continue to increase shareholder value, beginning the year with a strong balance sheet and all OpCos estimated to perform better than industry".

Dato' Sri Jamaludin Ibrahim, President and Group Chief Executive Officer of Axiata added "I am extremely pleased to see momentum continue into the new year. It is very good to see all our operating companies posting solid YoY and QoQ growth amidst difficult market conditions, and in a traditionally slower quarter. Even with weaker regional currencies, the Group posted 8% YoY growth in revenue and 4% in EBITDA. At constant currency and stripping out the forex translation impact, the Group posted excellent double digit revenue and PATAMI growth of 10% and 19% respectively. Strong data growth continues especially at Celcom, XL and Dialog, with data users now accounting for more than 50% of XL

¹ Idea's year end is 31 March 2012

subscribers. This has led to some margin pressure at our OpCos but we remain confident in the long term. This quarter provides a very positive signal for the start of 2012. With the strong performances seen, excluding any adverse forex impact, we are on track to achieve our KPIs”.

A GAME CHANGING YEAR

“2012 will be a game changing year for Axiata. Significant changes are already affecting the industry such as the rapid demand in data. To meet this demand we have begun a comprehensive and holistic approach to data looking at it from revenue opportunities, cost structure, customer experience, organizational reforms and new business models. Moving forward we are confident of delivering profitable growth and driving differentiation through innovative digital services and products. The results this quarter are certainly a step in the right direction” concluded Dato’ Sri Jamaludin Ibrahim.

About Axiata

Axiata is one of the largest Asian telecommunication companies. Axiata has controlling interests in mobile operators in Malaysia, Indonesia, Sri Lanka, Bangladesh and Cambodia with significant strategic stakes in India and Singapore. India represents one of the fastest growing markets in the world. In addition, the Malaysian-grown holding company has a stake in mobile telecommunication operations in Thailand.

The Group’s mobile subsidiaries and associates operate under the brand name ‘Celcom’ in Malaysia, ‘XL’ in Indonesia, ‘Dialog’ in Sri Lanka, ‘Robi’ in Bangladesh, ‘HELLO’ in Cambodia, ‘Idea’ in India and ‘M1’ in Singapore.

The Group, including its subsidiaries and associates, has over 190 million mobile subscribers in Asia. The Group revenue for 2011 was USD5.4 billion. The Group provides employment to over 20,000 people across Asia. Axiata’s vision is to be a regional champion by 2015 by piecing together the best throughout the region in connectivity, technology and talent, uniting them towards a single goal: Advancing Asia.

Axiata was awarded the Frost & Sullivan 2009, 2010 and 2011 Asia Pacific ICT Award for Best Telecom Group and the Telecom Asia Best Regional Mobile Group 2010 and 2011 for its operations in multiple Asian markets.

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