

MEDIA RELEASE

Axiata starts the year on a positive note with YoY revenue up 5.5% and PATAMI 8.7%

- **Dialog posts outstanding results for a market leader, with revenue up 19% and EBITDA 10% YoY**
- **Robi continues to post impressive results with double digit YoY Revenue & EBITDA growth of 21% and 45% respectively**
- **Celcom and XL post YoY data growth of 17% and 16% respectively**

Kuala Lumpur, 22 May, 2013 – Axiata Group Berhad (Axiata) today announced its unaudited results for the first quarter of 2013. The Group saw solid performance, in a seasonally slow quarter, amidst heightened competitive pressures and strengthening Ringgit. Slower momentum in traditional revenues was however, cushioned by strong growth in data seen at Celcom¹ and XL². The Group reported revenue of RM4.5 billion, up 5.5% year-on-year (YoY) which at constant currency, stripping out forex movements, would have been up 8%. EBITDA³ dipped 2.4% YoY due to higher costs associated with push for data coverage expansion, especially at XL, to RM1.8 billion. EBITDA was also impacted following the introduction of SMS interconnection and price competition at XL which started in the second quarter 2012.

PATAMI⁴, was up by 8.7% YoY to RM615 million from excellent performances seen at Dialog⁵ as well as the integration of Smart and Hello. At constant currency YoY PATAMI would have been higher at 10%. After adjusting for exceptional items, such as impairment, forex and other one-offs, normalised PATAMI dipped by 4.1%.

Regional mobile subscribers grew 9.4% to close to 220 million making Axiata one of the largest telcos in the region.

STRONG DATA GROWTH AT CELCOM AND XL

Malaysia

Following an exceptional 2012, momentum was sustained at Celcom which continued to show growth in all key indicators. Revenue was up 4% YoY, with EBITDA tracking at 4%. EBITDA margin also improved in tandem with higher revenue and lower costs. PATAMI for the period increased by 2% to RM549 million. PATAMI in the quarter was the highest in the industry.

¹ Celcom Axiata Berhad

² PT XL Axiata Tbk

³ Earnings Before Interest, Tax, Depreciation and Amortisation

⁴ Profit after Taxation and Minority Interests

⁵ Dialog Axiata PLC

Celcom's relentless focus on growing its data business saw a strong hike in data revenue of 17% YoY, now contributing 16% to total revenue, compared to 14% a year ago. This was driven by mobile broadband and increasingly small screen data. Celcom now has more than 3 million smartphone users on the network, a 26% growth from a year ago. The quarter saw Celcom retain its leadership status in mobile broadband amidst increasing competition, with over a million broadband subscribers, now contributing 13% to total revenue from 11% a year ago. Total Data now contributes 34% to revenue.

To support the growing data business and adoption, Celcom continues to enrich its portfolio of innovative data offerings and services whilst also enhancing and modernizing its network for the progressive roll-out of LTE.

Indonesia

XL started the year cautiously, holding market position and maintaining topline growth YoY. Stable growth was seen in revenue, albeit at a slower runrate than experienced in the previous year. Revenue was up 2% YoY to IDR5.05 trillion, led by growth in data at 16%. The adoption of data continued to be strong with YoY pickup in data traffic of 40%. With data subscribers at 29.1 million subscribers, or close to 60% of the total base, XL saw higher data revenue contribution of 22% compared to 19% a year ago. Data coverage expansion will be further strengthened with another tranche of 5 MHz, which was successfully secured by XL in the quarter, bringing the total to 15MHz in the 2100 MHz band for 3G services.

EBITDA in the period was impacted due to investments in data, competition, network managed services as well as the change in the tower business model. In addition, the acceleration of deployment of BTS infrastructure, to increase the service quality, and the impact on the rental expense of those towers did spill over into the first quarter of this year. Whilst the push for data will have an impact in the short term, XL is confident of long term success positioning itself for future growth in this fast growing segment.

EXCELLENT GROWTH CONTINUES IN SOUTH ASIAN OPERATIONS

Sri Lanka

Dialog recorded outstanding performance in revenue to reach SLR15.2 billion, up 19% YoY, a significant feat for the incumbent player. Revenue growth was on the back of healthy growth in mobile subscribers and an increased adoption of mobile broadband services. EBITDA in the period showed healthy momentum with a growth of 10%, resulting in the Group posting a robust PAT of SLR1.6 billion.

Data revenue, continued to show robust growth up by 49%. Dialog is the first operator in South Asia to launch 4G LTE services. This was further strengthened by the acquisition of 10 MHz in the 1800 band and a further 65MHz in the 2.3 band via the acquisition of Sky TV. Capital expenditure will be directed in the main towards strategic investments in High Speed fixed and Mobile Broadband, which will further strengthen the Group's coverage and quality leadership position through the upgrade of its high speed broadband infrastructure.

Voice usage continued to increase, posting a robust growth of 6%. Dialog saw 9% YoY growth in subscribers driven by the prepaid segment.

Bangladesh

Robi⁶ continued its strong growth trajectory with double digit revenue growth of 21% YoY amidst stiff market competition. This was driven by strong progress in all aspects of business. In tandem, EBITDA grew by 45% with improved margins despite aggressive drive for growth. PAT in the period was up by more than 100%.

Significant subscriber growth was added, up 30% YoY and 7% in the quarter.

STRONG PERFORMANCES AT ASSOCIATES

India

Idea finished the year strongly maintaining its position as the fastest growing Indian mobile operator with 15% YoY revenue growth. This was despite a challenging environment of intense competition and regulatory concerns. EBITDA in the period was up by 18% and PAT by 40%.

Data continued to grow with the quarter showing the highest ever adoption with 4.5 million new additions. Nearly 5.1 million customers are now active on the company's 3G platform.

Idea contributed RM27 million to Group PAT. The quarter also saw Idea announcing dividends for the first time.

Singapore

MI reported a positive start to the year with service revenue increasing 4% YoY due to growth in postpaid mobile and fixed customers. Revenue from non-voice services rose 2.6 percentage points YoY to 39.5% of service revenue, driven by growth in data usage by smartphone customers. Smartphone customers now account for 77% of postpaid customer base. EBITDA in the period was moderate up by 3% due to higher handset costs.

PAT increased 2% to SGD41 million.

Commentary

Axiata Chairman, Tan Sri Dato' Azman Hj. Mokhtar said "It has been a tough start to the year but the Group delivered resilient results. Focused execution on strategy enabled the Group to grow data significantly whilst withstanding the decline in traditional businesses and competition. We will continue to maintain execution focus on fundamentals and our long term objectives of ensuring strong profit and cash, whilst looking at more revenue growth opportunities".

⁶ Robi Axiata Limited

Dato' Sri Jamaludin Ibrahim, President and Group Chief Executive Officer of Axiata added "I am happy to see Celcom, after an exceptional 2012, continue strong revenue momentum. In data, both Celcom and XL showed resilience amidst heightened competition delivering robust data growth of 17% and 16% respectively. Of particular note was the excellent performance of Dialog and Robi, both posting outstanding double digit growth in revenue and EBITDA. Maturing markets with declining voice and SMS alongside increased competition, in Indonesia in particular, has led to a challenging Q1 but this was mitigated by strong data growth of 15% YoY. Data growth has been significant and this will be further fuelled by LTE".

A Year of data growth

"We are excited about the launch of LTE, the natural progression in our markets where 3G services have been long established. LTE technology's vast superiority in data access, both in terms of speed and latency, will allow us to deliver more video-based content and applications. At the same time, it will also lead to much more cost efficiency.

The results are a reflection of our balanced portfolio of emerging and matured assets alongside our diligence on cost management initiatives and capex efficiency. We are executing our transformation plan to grow in the new digital era, to invest in networks to drive longer term growth whilst strengthening our core business. Our focus on data has already shown results and we expect this to be more tangible as 2013 progresses" 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.

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, 'Smart' in Cambodia, 'Idea' in India and 'M1' in Singapore.

The Group, including its subsidiaries and associates, has close to 220 million mobile subscribers in Asia. The Group revenue for 2012 was USD5.7 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, 2011 and 2012 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.

-ENDS-

Issued By:

Corporate Communications, Group Strategy, Axiata Group Berhad
Axiata Centre, 9 Jalan Stesen Sentral 5, Kuala Lumpur Sentral
50470 Kuala Lumpur

For further information on Axiata visit www.axiata.com

For media enquiries, please contact: Faridah Hashim, Head Corporate Communications

Tel: +603-2263 8881 Fax: +603-2278 7755

Email: faridah@axiata.com