



18TH ANNUAL GENERAL MEETING

Presentation to Shareholders

22 June 2010

AGENDA



Axiata Overview

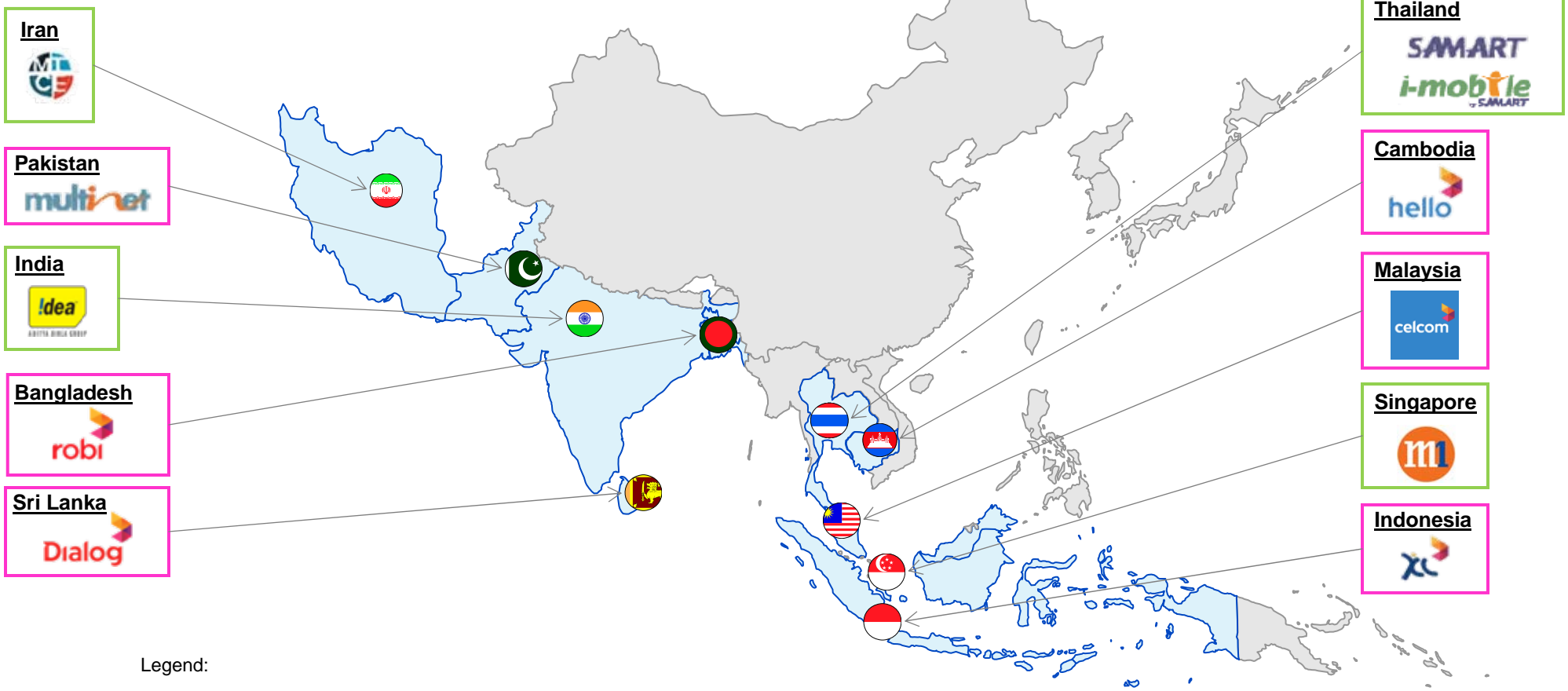
2009 Performance

1Q 2010 Performance

Addressing MSWG Questions

Axiata at a Glance

One of the largest and fastest growing telcos in Emerging Asia Mobile Telecom



Legend:
Subsidiaries
Associates

10 Countries, 130 million customers

Note: Subscribers as of 1Q 2010

AGENDA



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1Q 2010 Performance

Addressing MSWG Questions

Key Highlights of 2009 performance

- ✓ All round strong financial results and growth in 2009
- ✓ Strategies at Axiata and OpCos were executed well, showing tangible results
- ✓ OpCo engagement model significantly improved
- ✓ Top management across the group significantly enhanced with strong diversity
- ✓ Stronger fundamentals (management, processes, strategy) for sustainability
- ✓ Successful Completion of Phase 1 :

Revenue	RM13.1 bn	↑ 31%
EBITDA	RM5.2 bn	↑ 25%
Subscribers	120 mn	↑ 202%



2009 Performance Summary : Group

Strong 2009 results – an all round performance across all major OpCos

OPERATING REVENUE (RM mn)



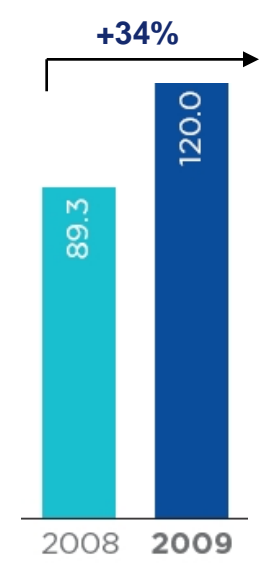
EBITDA (RM mn)



ADJUSTED PATAMI (RM mn)



Subscribers (mn)



- ✓ All round strong financial results and growth
- ✓ Strong results, particularly at Celcom, XL and Robi

EBITDA Margin 

Note¹ - Normalised PATAMI excludes interest costs on TM's bridging loans (RM168.5 million), financing cost for Idea acquisition and one-off Spice costs (RM187.0 million) and foreign exchange loss (RM284.7 million).

Note² - Normalised PATAMI excludes interest costs on TM's bridging loans (RM68.3 million), financing cost for Idea acquisition (RM204.0 million), XL one-off gain on finance lease arrangement (RM132.5 million), contribution from Idea (RM44.8 million), accelerated depreciation/asset impairment (RM236.2 million) and foreign exchange gain (RM349.2 million).

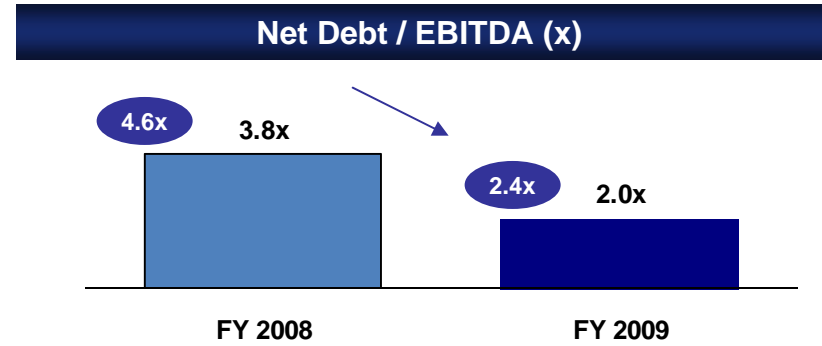


2009 Performance Summary : Group

Improved Leverage and Free Cash Flow

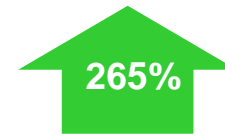
Strengthened capital structure with further deleveraging of balance sheet with lower Net Debt / EBITDA at 2.0x

Gross Debt/EBITDA



Group turned Free Cash Flow positive

RM 2.1 bn



Cash On Hand : RM2.0 bn

*Free Cash Flow : EBITDA less Capex

2009 Performance Summary

Strong performance at Celcom, XL and Robi through execution of strategies. Dialog showed signs of continued quarterly improvement



	Q o Q Performance			Y o Y Performance		
	Revenue	EBITDA	PATAMI	Revenue	EBITDA	PATAMI
Group	↑ 9%	↑ 19%	↑ 33%*	↑ 15%	↑ 18%	↑ 44%*
Celcom	↑ 6%	↑ 6%	↑ 2%	↑ 13%	↑ 11%	↑ 19%
XL	↑ 12%	↑ 18%	↑ 3%	↑ 14%	↑ 21%	↑ >100%
Dialog	↑ 7%	↑ 33%*	↑ >100%*	↓ 1%	↑ 4%*	↓ 45%*
Robi	↑ 24%	↑ >100%	↑ >100%	↑ 36%	↑ 58%	↑ >100%

Note: QoQ denotes 4Q09 vs 3Q09 . YoY denotes FY 2009 vs FY2008.

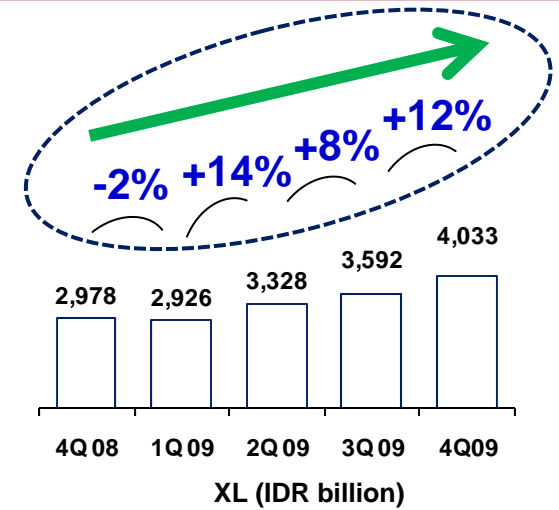
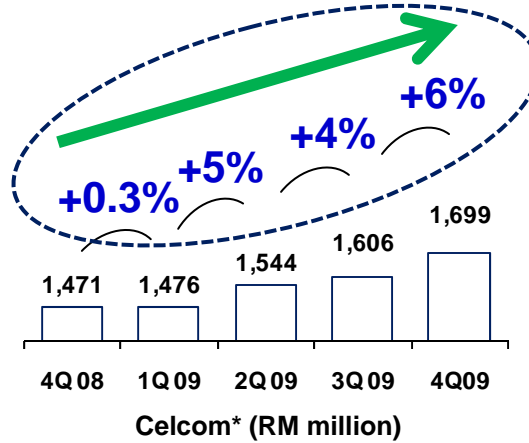
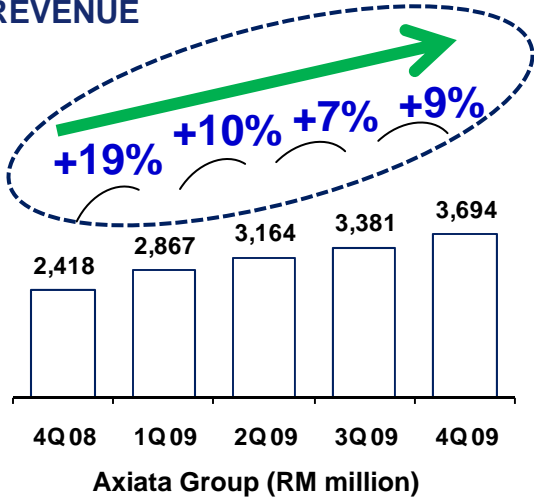
* Normalised



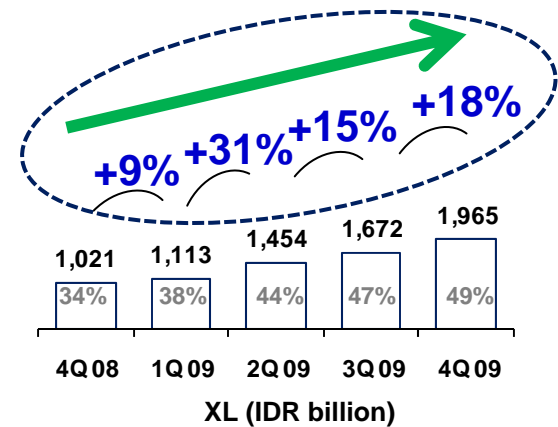
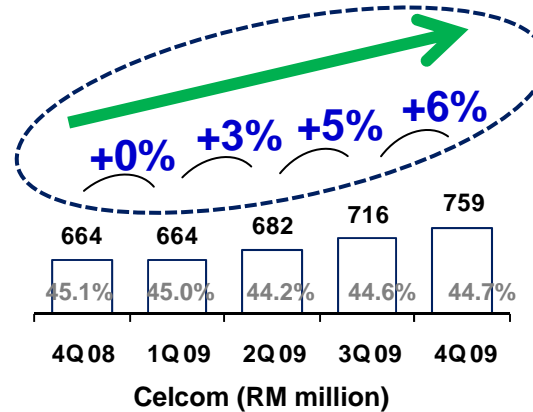
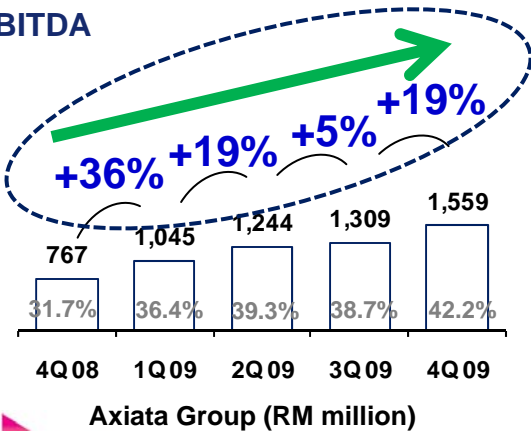
2009 Performance Summary

Perfectly consistent upward trends at Group, Celcom and XL

REVENUE



EBITDA

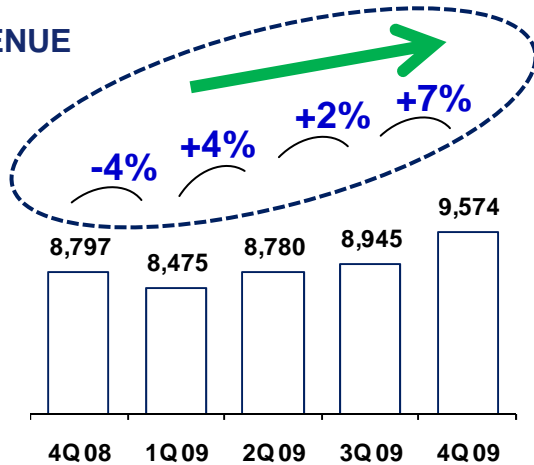


*2008 - Fibercomm excluded due to demerger (for comparison purpose)

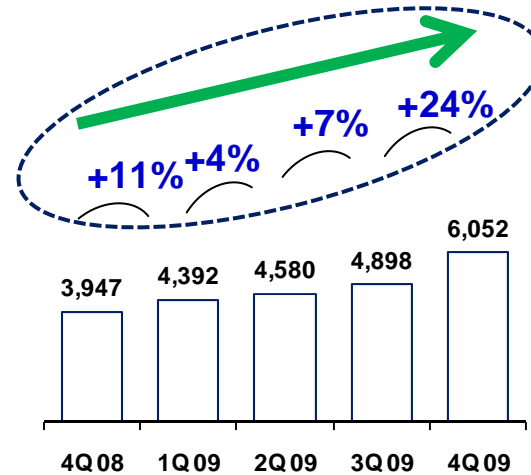
2009 Performance Summary

Encouraging trends at Dialog and Robi

REVENUE



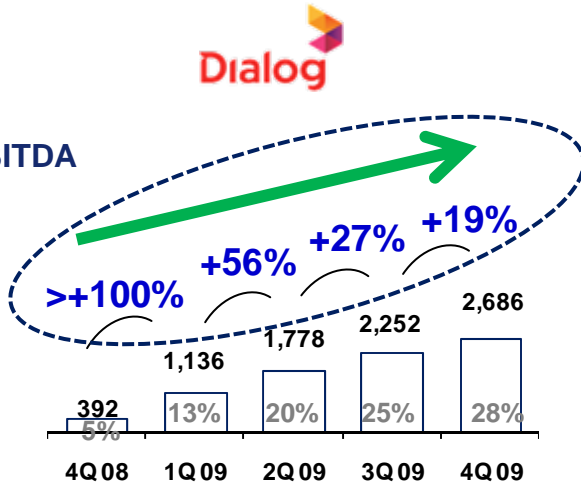
Dialog (SLR million)



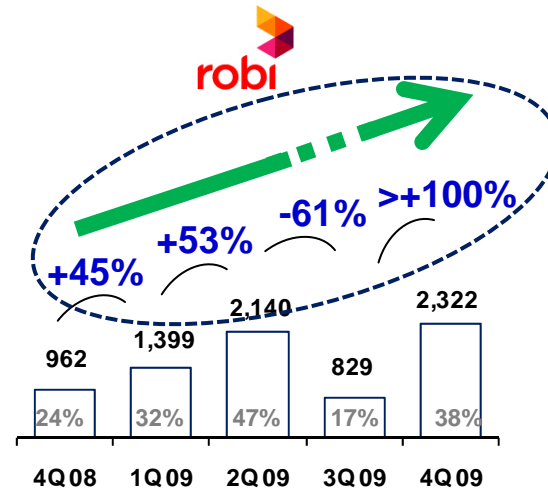
Robi (BDT million)



EBITDA



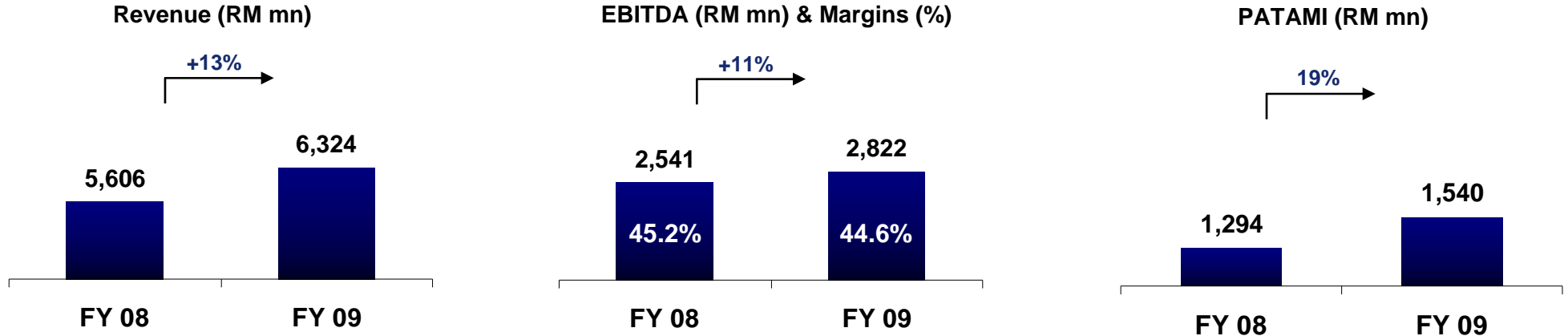
Dialog (SLR million)



Robi (BDT million)

2009 Performance Summary : Subsidiaries

Celcom's excellent execution of segment marketing and broadband focus delivered strong performance



(Malaysia)

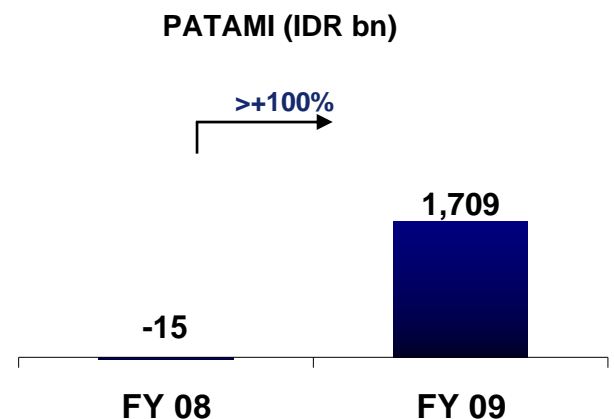
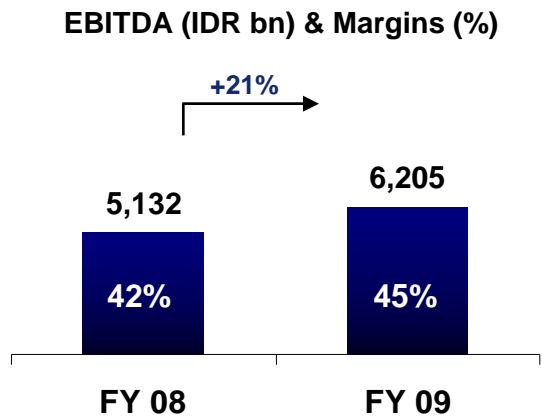
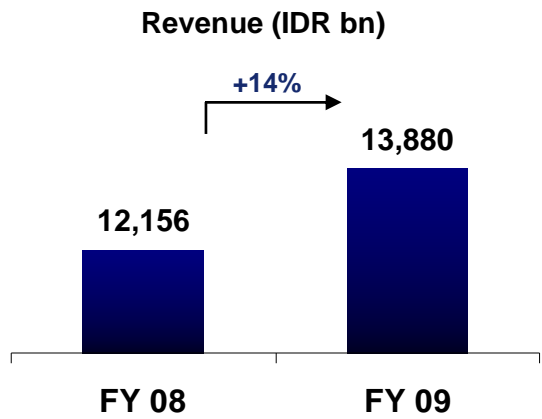
- ✓ Despite high industry penetration, Revenue grew 13%, >2x industry average
- ✓ Strong EBITDA growth of 11%, >5x industry average
- ✓ 15 consecutive quarters of revenue growth
- ✓ Exceeded industry average in almost all key measurements





2009 Performance Summary : Subsidiaries

XL's (Indonesia) execution on yield focus strategy showed strong performance in all financial metrics



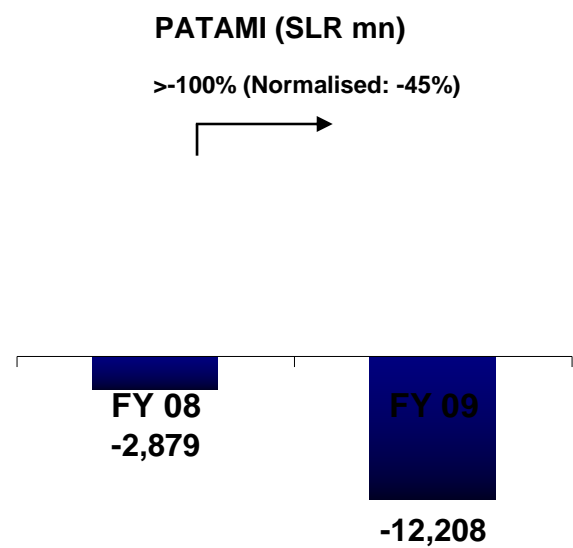
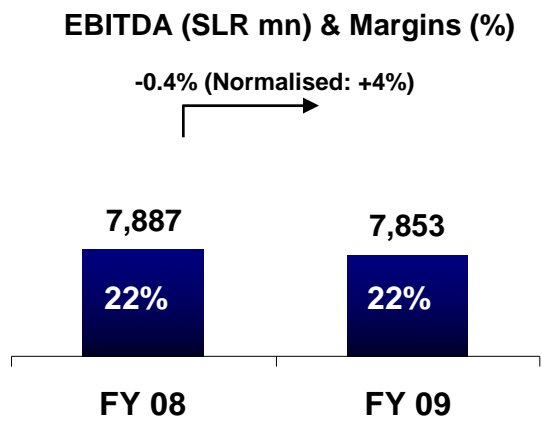
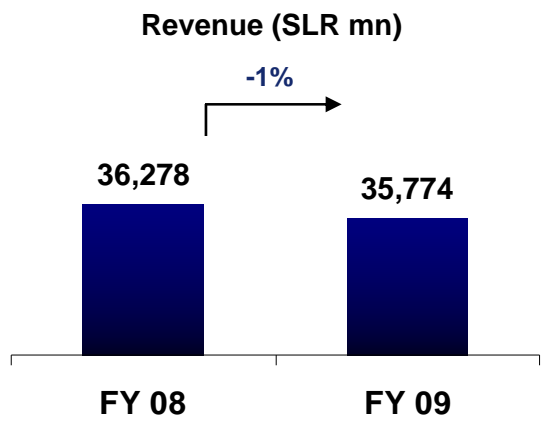
(Indonesia)

- ✓ Strong Revenue growth of 14% (vs. industry average of 9%)
- ✓ Significant EBITDA growth of 21%, ~2x industry average
- ✓ PAT turned profitable
- ✓ Subscribers grew 21% to 31.4 million
- ✓ Outperformed all competitors in almost all key measurements



2009 Performance Summary : Subsidiaries

Dialog (Sri Lanka) faced some challenges, but turnaround plans showing encouraging results

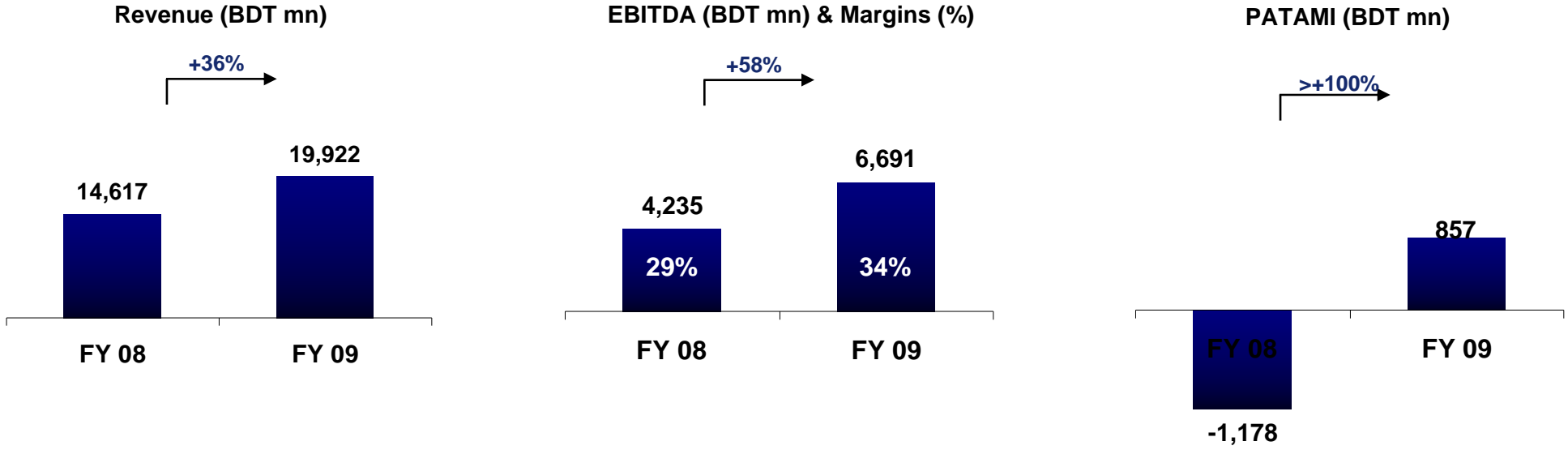


- ✓ Normalised EBITDA (adjusted for non-recurring charges) improved by 4%
- ✓ 4 consecutive quarters of strong EBITDA improvements



2009 Performance Summary : Subsidiaries

Robi (Bangladesh) showed successful turnaround in 2009, with significant growth in revenue and profitability



- ✓ Spectacular Revenue growth of 36%
- ✓ Significant Profit growth improvement – EBITDA increased 58%, PAT turned profitable with growth of more than 100%
- ✓ Highest quarterly Revenue achieved with growth recorded for 5 consecutive quarters



209 Performance : Associates

Idea had a strong performance despite challenging industry. M1 showed table performance

COMPANY

HIGHLIGHTS

YEAR ON YEAR PERFORMANCE OVERVIEW



Strong 2009 results amidst challenging sector conditions



Launch of new mobile services, NGNBN and iPhone to provide exciting new opportunities



Note : Idea based on their financial calendar ending March 2010



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2009 Performance

1Q 2010 Performance

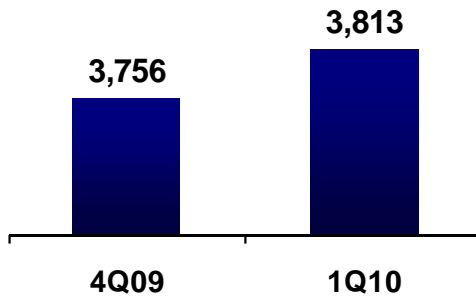
Addressing MSWG Questions

1Q 2010 Performance Summary : Group (Quarter on Quarter)

The momentum continues...

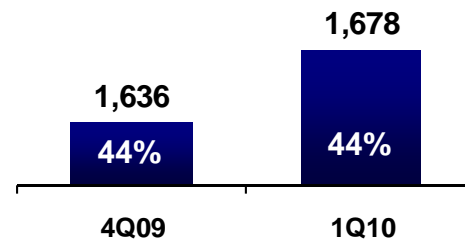
OPERATING REVENUE (RM mn)

2%



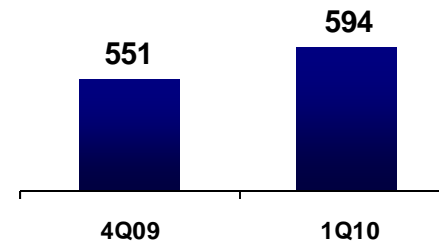
EBITDA (RM mn)

3%



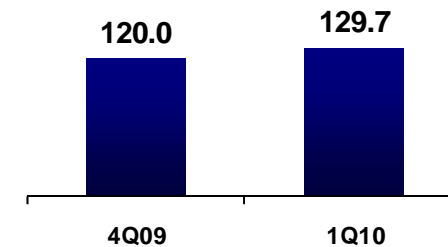
ADJUSTED PATAMI (RM mn)

8%



Subscribers (mn)

8%



1Q 2010 Performance Summary

Strong Q o Q performance at Celcom and XL with profit turnaround in Dialog. Short term pressure at Robi in pursuit of growth.

	Q o Q Performance			Y o Y Performance		
	Revenue	EBITDA	PATAMI	Revenue	EBITDA	PATAMI
Group	↑ 2%	↑ 3%	↑ 65%	↑ 31%	↑ 52%	↑ >100%
Celcom	↑ 0.2%	↑ 2%	↑ 7%	↑ 15%	↑ 16%	↑ 24%
XL	↑ 3%	↑ 9%	↑ 18%	↑ 42%	↑ 92%	↑ >100%
Dialog	↑ 2%	↑ 18%	↑ >100%	↑ 16%	↑ >100%	↑ >100%
Robi	↑ 5% ¹	↓ 33%	↓ 91%	↑ 35%	↑ 11%	↑ >100%

¹ Normalised for International Gateway (IGW) Revenue recognised from 4Q09 with finalisation of agreements at year end

Note: QoQ denotes 4Q09 vs 1Q10 . YoY denotes 1Q09 vs. 1Q10

1Q 2010 Performance : Affiliates (Quarter on Quarter)

Idea had a solid all round performance while M1's revenue and profitability was up

COMPANY

HIGHLIGHTS

QUARTER on QUARTER PERFORMANCE OVERVIEW



Strong 4Q finish amidst challenging sector conditions

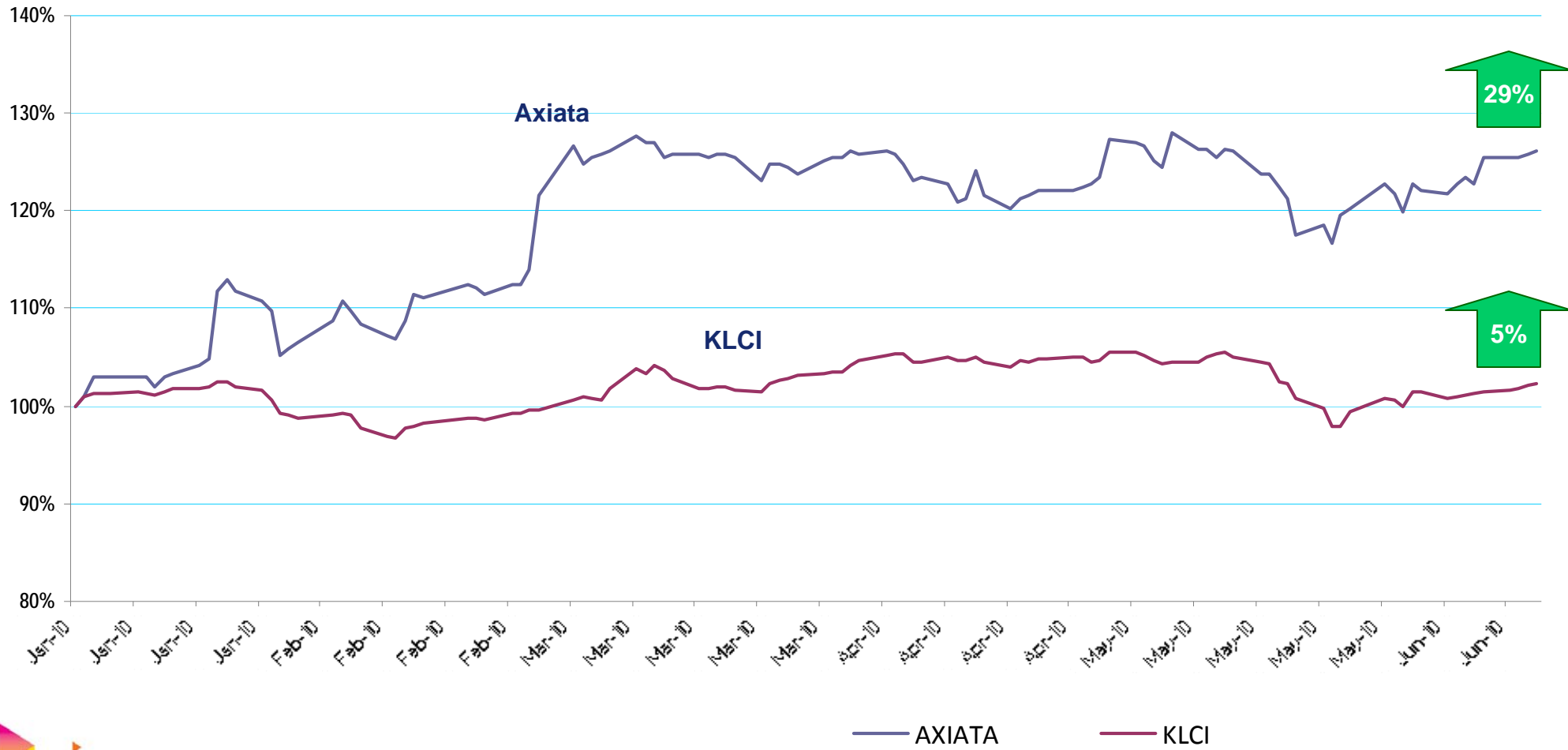


Higher service revenue, handset sales and data revenue. Handset costs impacted EBITDA



Axiata Share Price has outperformed KLCI in 2010 and is the best performing stock in the KLCI (Top 30) for the year to date

Period : 1 Jan 2010 – 21 June 2010



AGENDA



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1Q 2010 Performance

Addressing MSWG Questions

Operations and Financial Performance

1. We note the EBITDA margin for the Group was 39.3%, helped by Celcom and XL which were at 44.6% and 44.7% respectively. However, it was below the market leader. What would be the Group's overall medium to long term ways to improve EBITDA margin, amidst the competitive environment?

Response :

- Group EBITDA margin of 39.3% is a consolidated number derived from companies operating in different countries and not comparable to other Malaysian operators.
- In Malaysia, Celcom in 2009, outperformed the competitors with an EBITDA growth of 11% and margin improvements by 0.4 pp while other 2 major competitors showed decline in EBITDA and margins
- Similarly, XL led the Indonesian competitors in 2009 with improved margins while other 2 major competitors had margin decline
- Improvements shown were the result of the initiatives of Cost Management Programme and variety of market programmes to improve revenue contribution from its subscribers' base.



Operations and Financial Performance

3. It was reported that the Group incurred net impairment losses of RM83.6 million (2008: RM12.8 million), primarily for PPE due to the write down of certain telecommunication network assets in which the assets were written down to its recoverable values, net of reversal of impairment losses of RM5.2 million (2008: RM16.0 million) in relation to capital work-in-progress made on a subsidiary's long outstanding projects which were now completed.
- a) Which is the subsidiary involved and why was this project long outstanding?
 - b) Given the long outstanding work-in-progress, was the impairment loss due to costs over-runs?

Response :

- a) The subsidiary referred to is Celcom where these projects were completed after receiving necessary approvals from the relevant authorities that resulted in the write-back of impairment loss provision in the year. The impairment loss provision was made in the prior years based on the appropriate accounting policies and prudent accounting practice.
- b) The impairment loss was contributed mainly by Dialog's impairment of old and replaced network assets resulting from the completion of its mobile network modernisation project during the year. The impairment in Dialog contributed approximately 77% of total net impairment losses of the Group.

The breakdown of impairment losses of RM83.6 million are as follows:-

Dialog network modernization	RM64.8 million
XL Capital Work-in-progress impairment	RM11.9 million
Others (net of Celcom reversal of impairment loss RM5.2 million)	RM6.9 million



Balance Sheet and Strategies

8. In 2009, Celcom's total capex was around RM770 million and major domestic Celcos would range between RM700 million to RM1.24 billion.
- a) What would be the Group's OpCos guided capex in 2010?
 - b) What is the Group's plan(s) on the 4G LTE (Fourth Generation Long Term Evolution) technology?

Response :

- a) Group CAPEX guidance for 2010 is RM3.6 billion
- b) Axiata have been, and will continue to deploy and operate state of the art wireless networks using the GSM family of technologies. The technology roadmap began with GSM, moving on to HSPA, HSPA+ and LTE. LTE trials have been conducted by M1 with very positive results. The Group will pursue LTE as and when spectrum is made available.



Corporate Governance Matters

9. It was reported that the Board was planning a holistic review of the Board's composition and balance in 2010, taking into account the various feedback and current and future needs of the Group, including diversity in terms of skill-sets, ethnicity, gender and nationality which would be necessary for a regional group like Axiata.

Could the Board further enlighten the shareholders on how soon this would occur taking into cognizant of the two less Board members as compared to last year?

Response :

- The Board led by the Board Nomination Committee has recently completed this process and resolved on the right size and the criteria of candidates that the Board is looking at. The process for identification of candidates is currently ongoing and this includes engaging the services of third party recruitment specialist and/or consultant to assist the Board.
- The process is targeted to be completed by 3Q'2010. In the meantime, with the present Members, the Board is sufficiently equipped to manage its role as the required expertise is still present and all legal requirements are met.



Thank You

www.axiata.com

Axiata Group Berhad