1Q 2015 Results

19 May 2015

Dato' Sri Jamaludin Ibrahim, President & Group CEO

Chari TVT, Group CFO

Executive summary: Financials

Decent revenue growth but lower profitability: results significantly affected by XL and Celcom, whilst Smart, Dialog and Idea were strong

- **Decent revenue growth in 1Q15 YoY across all OpCos, however QoQ decline is due to Celcom, XL and Robi**
  - QoQ growth : Revenue -1.3% ; EBITDA -1.5% ; PATAMI -2.4%
  - YoY growth : Revenue +5.2% ; EBITDA -2.7% ; PATAMI -13.3%

- **At constant currency, financials reflect impact from a weaker ringgit**
  - QoQ growth : Revenue -3.9% ; EBITDA -4.2% ; PATAMI -4.4%
  - YoY growth : Revenue +2.3% ; EBITDA -5.4% ; PATAMI -16.0%

- **1Q15 was a challenging start of FY15, the Group performed below headline KPIs**

- **However maintained healthy net profit of RM0.6bn, cash of RM5.7bn and gross debt/EBITDA of 2.04x**

Key Group highlights (1/3):
Celcom and XL endure short term pains to position for longer term gains

- Celcom's revenue, normalised EBITDA, and normalised PATAMI is 0.7%, -8.0%, and -12.2%, respectively.
- Post BSS stabilization, Celcom is now focused on re-vitalizing trade channels, moving to non-traditional channels, and optimising product offerings.
- However, >400 dealer sites were affected by flooding in East Coast, an area which accounts for 16% of revenue.
- Continued robust data revenue growth (+36%), fuelled by mobile internet (+81%).

- Post the successful integration of Axis, 2015 will be a transformational year for XL as it shifts its strategy from volume to value.
- The Axis brand was successfully re-launched, with a focus on delivering value-for-money services.
- As expected, the revamping of XL's product portfolio has impacted subscriber base (-23.9%) and revenue (-0.5%) in 1Q15.
- Sale of 3,500 towers in December contributed to a decrease in leased tower revenue and thus slower revenue growth in 1Q15.

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

Key Group highlights (2/3):

Dialog and Smart continue to shine, while Robi was affected by country-wide political unrest

Dialog

- Strong revenue, EBITDA and PAT growth of 6.1%, 27.2% and 56.2% respectively, with EBITDA margins +6% pp to 35%.
- Strong growth in profitability driven by operational efficiencies centered on cost management initiatives.
- Strong balance sheet (net debt/EBITDA 0.7x) and declares FY14 dividend of Rs0.13.

robi

- Despite country-wide political unrest, revenue grew 4.1% on the back of data (+171%) and wholesale & interconnect revenue.
- However EBITDA and PAT growth was -2.6% and -11.2% respectively as profitability was affected by stiffer competition.

Smart

- Very strong performance with revenue, EBITDA and PAT growth of 40.3%, 70.8% and 71.8% respectively.
- Revenue driven by voice (+21%) and data (+111%).
- Total data subscribers increased to 2.1m, i.e 31% of subscriber base (vs 27% in 4Q14).

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

Key Group highlights (3/3):
Material contribution from associates to Axiata PATAMI

Associates

- **Stellar FY15 performance with revenue, EBITDA and PAT growth of 19%, 30% and 62% respectively. Idea's 4Q15 contributed RM97m (+69% YoY) to Axiata PATAMI**

- **1Q15 operating revenue YoY increased 23%, EBITDA growth of 2% and outstanding PAT growth of 7% contributing RM42m (+11% YoY) to Axiata PATAMI**

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

Financials

Decent revenue growth but lower profitability: results significantly affected by XL and Celcom, whilst Smart, Dialog and Idea were strong

Financial highlights

RM mn	1Q15	QoQ growth	YoY growth	YoY growth (constant currency)
Revenue	**4,751**	*-1.3%*	*5.2%*	*2.3%*
EBITDA	**1,741**	*-1.5%*	*-2.7%*	*-5.4%*
EBITDA margin %	**36.7%**	*0.0pp*	*-2.9pp*	*-2.9pp*
PAT	**536**	*-13.6%*	*-26.6%*	*-29.1%*
Normalised PAT	**564**	*16.0%*	*-14.7%*	*-17.7%*
PATAMI	**585**	*-2.4%*	*-13.3%*	*-16.0%*
Normalised PATAMI	**556**	*19.4%*	*-10.9%*	*-13.9%*
ROIC %	**8.3%**	-	*-0.7pp*	*8.1%*
ROCE %	**7.1%**	-	*-0.5pp*	*6.9%*
Capex	**1,090**	*-14.0%*	*5.4%*	
% of revenue	*22.9%*			
Operating Free Cash Flow*	**379**	*172.6%*	*13.1%*	
% of revenue	*8.0%*			

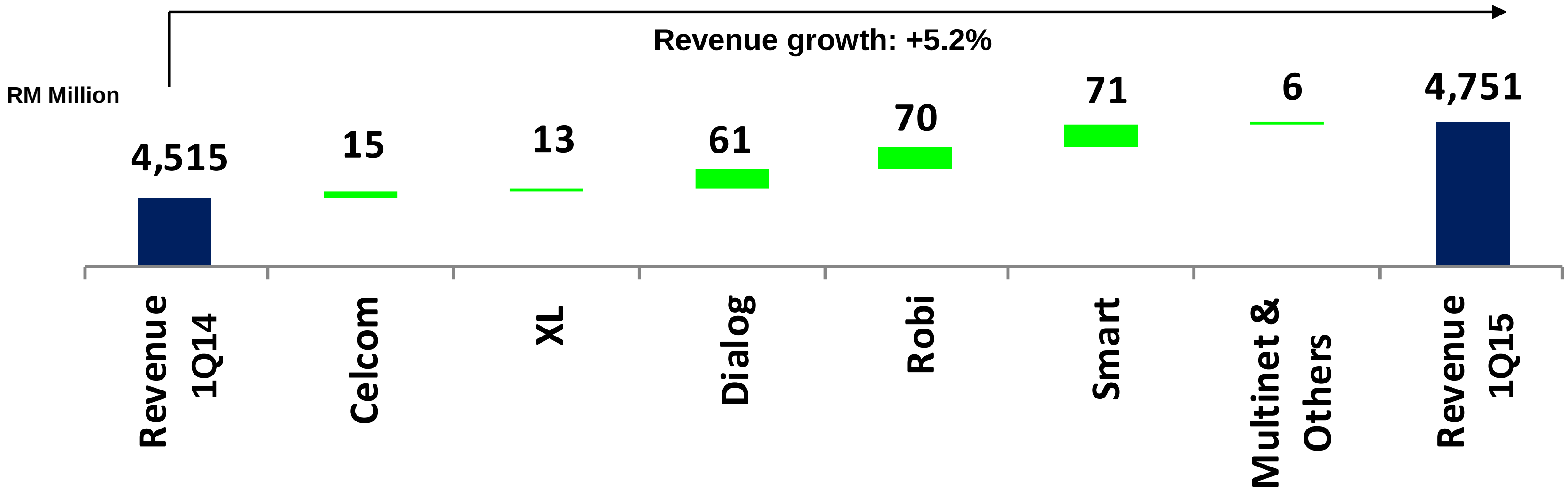
*OFCF= EBITDA- Capex- Net Interest-Tax

Note: Group normalised items as per slide #8

Group revenue: 1Q14 → 1Q15

Revenue growth from all OpCos

1Q14 Revenue	YoY movement	1Q15 Revenue



Revenue	1Q14
Celcom	1,904
XL	1,538
Dialog	412
Robi	496
Smart	132
Multinet & Others	33
GROUP	4,515

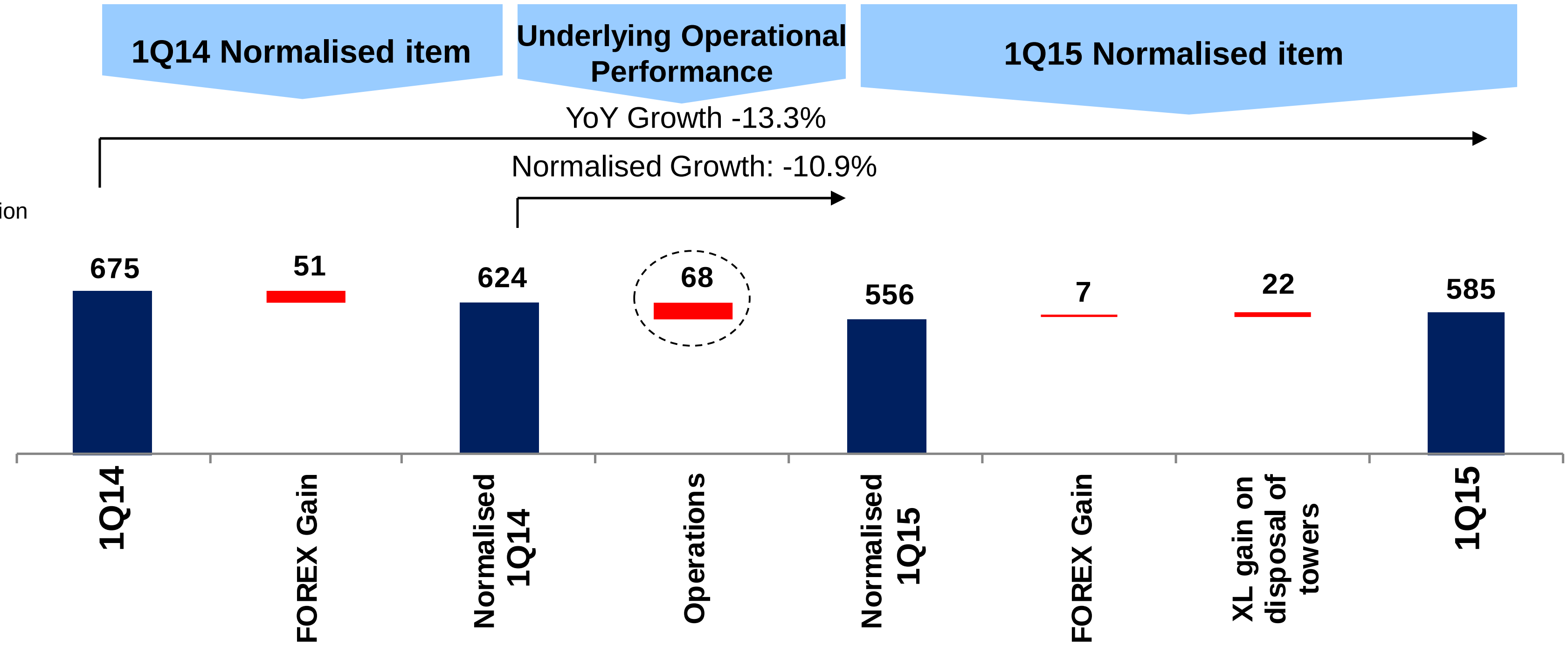
YoY Growth Rates

(+15)	+0.8%
(+13)	+0.9%
(+61)	+14.9%
(+70)	+14.1%
(+71)	+54.1%
(+6)	+19.9%
(+236)	+5.2%

Revenue	1Q15
Celcom	1,919
XL	1,551
Dialog	473
Robi	566
Smart	203
Multinet & Others	39
GROUP	4,751

Normalised Group PATAMI: 1Q14 → 1Q15

Normalised performance lower by 10.9% due to Celcom and XL



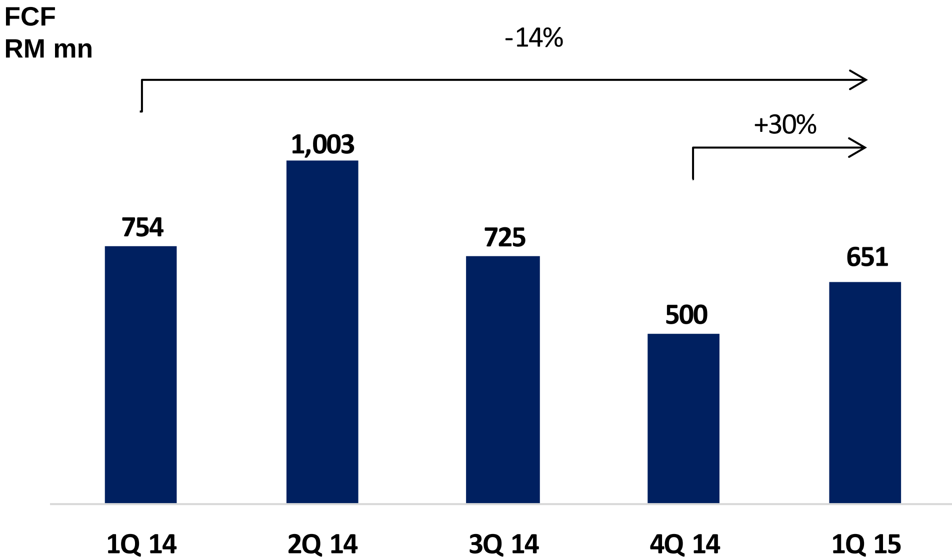
Norm PATAMI	1Q14
Celcom	455
XL	36
Dialog	22
Robi	39
Smart	20
Associates & Others	52
GROUP	624

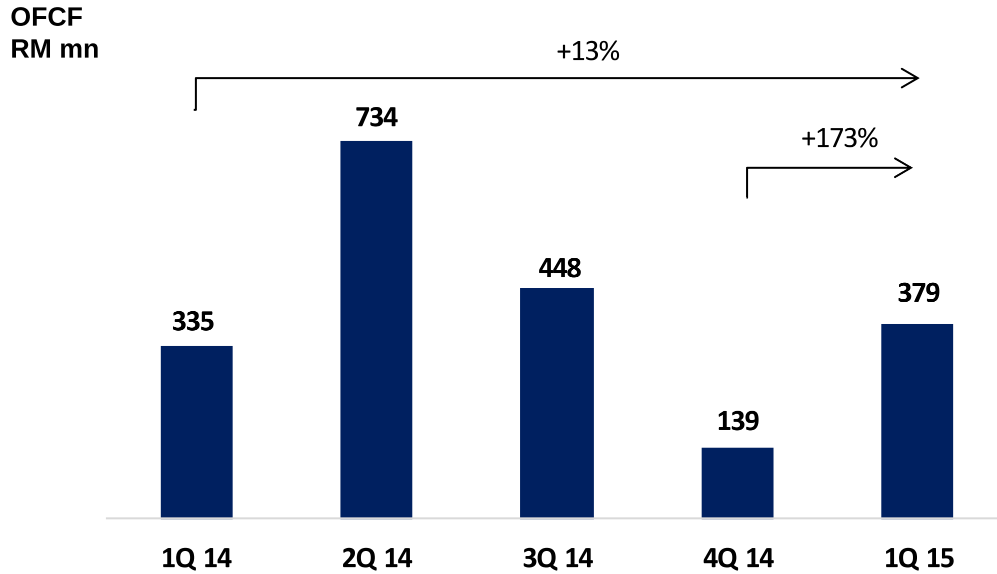
YoY Growth Rates	
(-73)	-16.0%
(-69)	-190.7%
(+30)	+139.5%
(-5)	-13.1%
(+21)	+101.2%
(+28)	+53.1%
(-68)	-10.9%

Norm PATAMI	1Q15
Celcom	382
XL	(33)
Dialog	52
Robi	34
Smart	41
Associates & Others	80
GROUP	556

Capital expenditure

Capex intensity at 23%, YoY increased by 5%

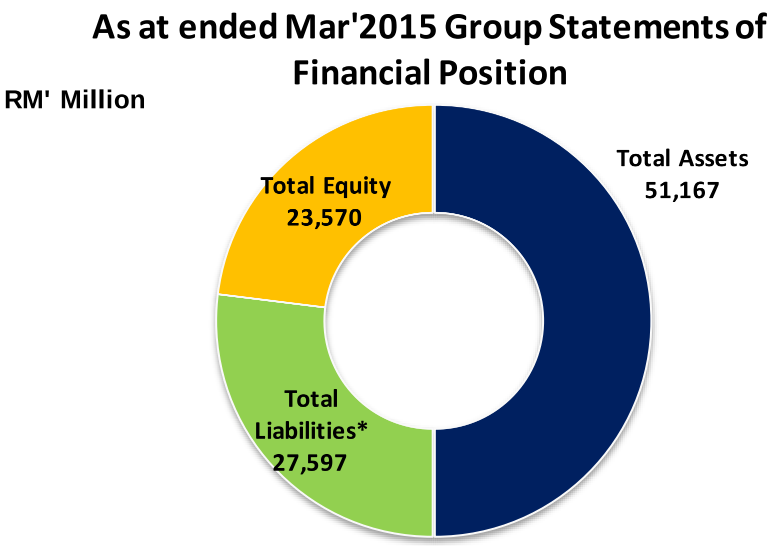




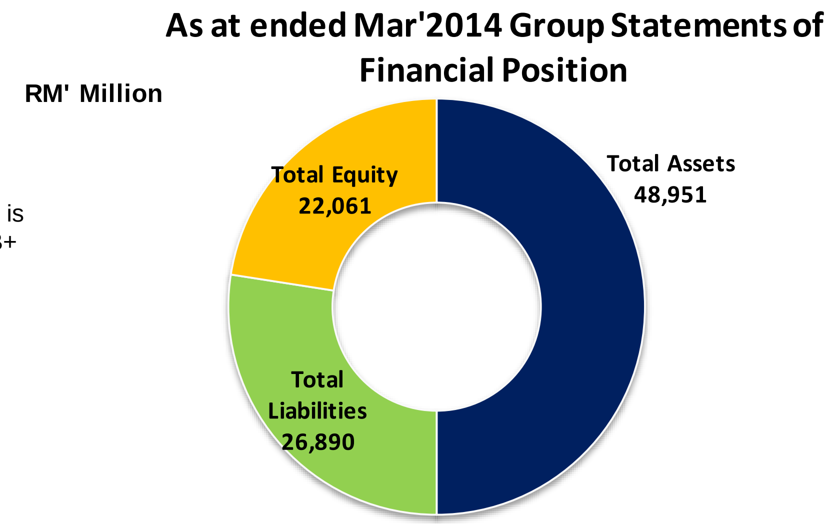
Capex (RM mn)	1Q14	1Q15
Celcom	140	189
XL	554	398
Dialog	70	60
Robi	214	326
Smart	40	82
Others	16	36
Total	1,035	1,090

Note:
Numbers may not add up due to rounding
FCF=EBITDA-Capex
OFCF= EBITDA- Capex- Net Interest-Tax
2Q14 to 4Q14 are restated figures

Group statements of financial position
Group cash balance of RM5.7bn



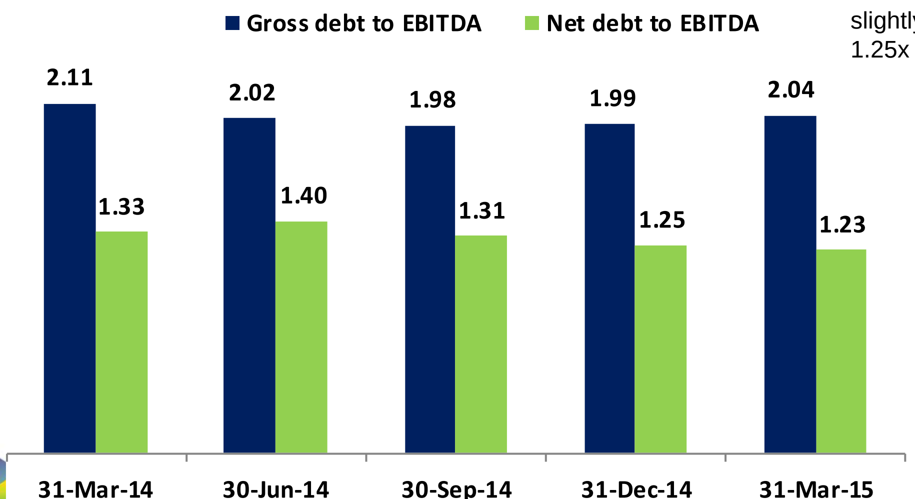
* Total debts of RM14,190mn

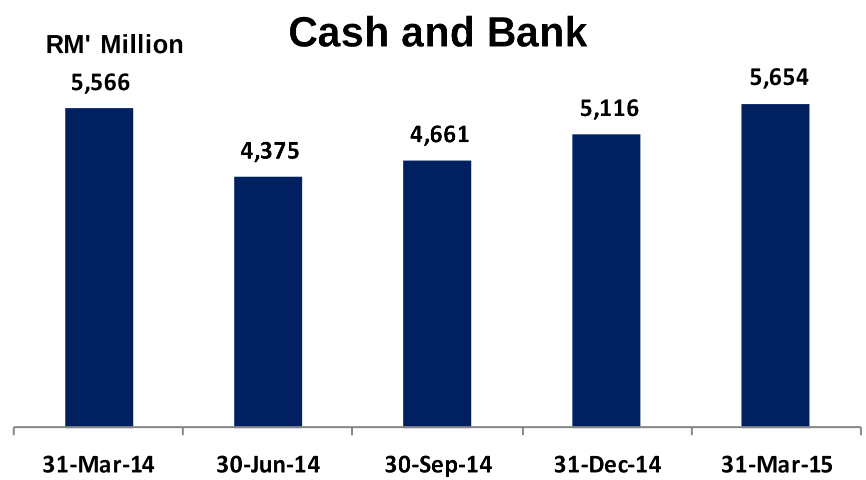


- Credit rating remained unchanged for the Group is Baa2 (Moody's) and BBB+ (S&P).

- Cash & bank increased by RM539mn (+10.5%) QoQ mainly due to interim dividend payment to shareholders of RM686mn in Oct'14.
- Free Cash Flow (FCF) is RM651mn and Operating Free Cash Flow (OFCF) is RM379mn.

- QoQ Net Debt to EBITDA decreased slightly to 1.23x from 1.25x





FY15 headline KPIs: below expectation
Internal and external factors affected KPIs

	FY15 Headline KPIs*	Guidance
Revenue growth	4.0%	Challenging
EBITDA growth	4.0%	Challenging
ROIC (%)	8.7%	Slightly below
ROCE (%)	7.7%	Slightly below

Planned capex = RM4.8bn (Capex is not a headline KPI)

*****_The above Headline KPIs are based on 2014 average forex rates for the respective currencies._

Key opportunities and challenges

Opportunities

- Regain growth momentum at Celcom post IT transformation; new products and better services
- XL's Transformation Programme over the next 12-18 months will deliver improved profitability, and a more sustainable business model
- More affordable smartphones to support strong data growth
- Diligent efforts to improve cost and capex efficiencies eg. carrier collaboration, LCN/RCN
- edotco is moving in the right direction

Challenges

- Slower industry growth in Malaysia, and near-term GST impact
- Heightened political and regulatory risks in Bangladesh and Sri Lanka
- Currency volatility particularly IDR

Appendix

Financial snapshot: 1Q 2015

	QoQ Performance			YoY Performance		
	Revenue	EBITDA	Normalised PAT[1]	Revenue	EBITDA	Normalised PAT[1]
Group	-1%	-1%	19%	5%	-3%	-11%
Celcom	-2%	-8%	-5%	1%	-10%	-12%
XL	-7%	-18%	>-100%	-0.5%	-15%	>-100%
Dialog	0.3%	9%	34%	6%	27%	56%
Robi	-9%	1%	2%	4%	-3%	-11%
Smart	12%	29%	>100%	40%	71%	72%

Note:
Growth number based on results in local currency in respective operating markets
1. *Group and Celcom: PATAMI and others: PAT. PAT/PATAMI normalised as per appendix*

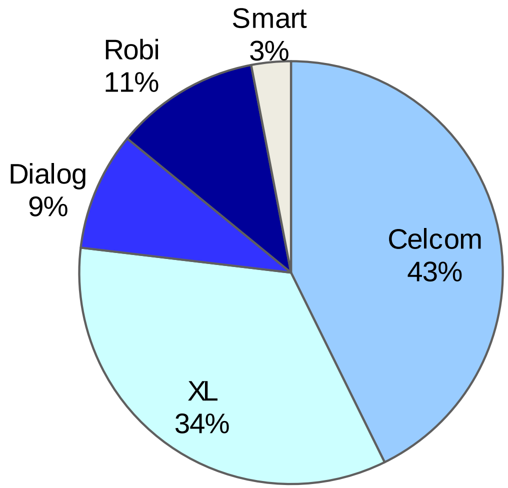
Key OpCos revenue and EBITDA composition

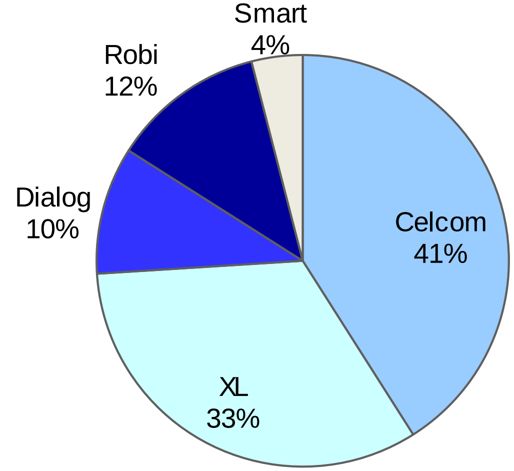
Robi and Smart continue to increase contribution to Group; increasing resilience of the Group from a diversified portfolio

1Q14 REVENUE & EBITDA Breakdown (%)

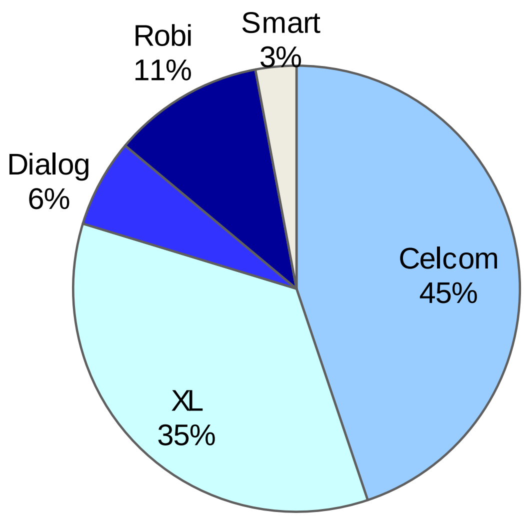
1Q15 REVENUE & EBITDA Breakdown (%)

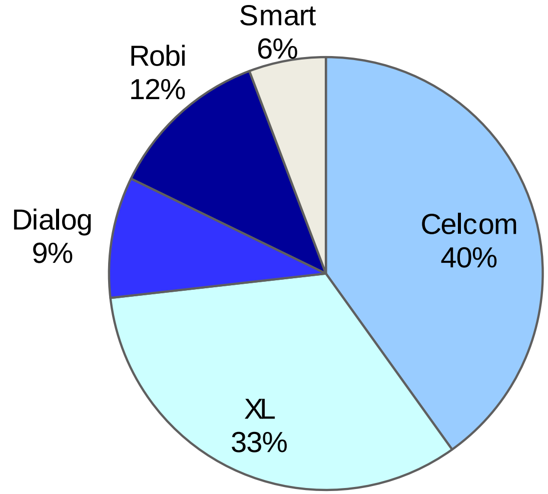
REVENUE





EBITDA





Note : Contribution % was derived from Group consolidated figures of 5 OpCos

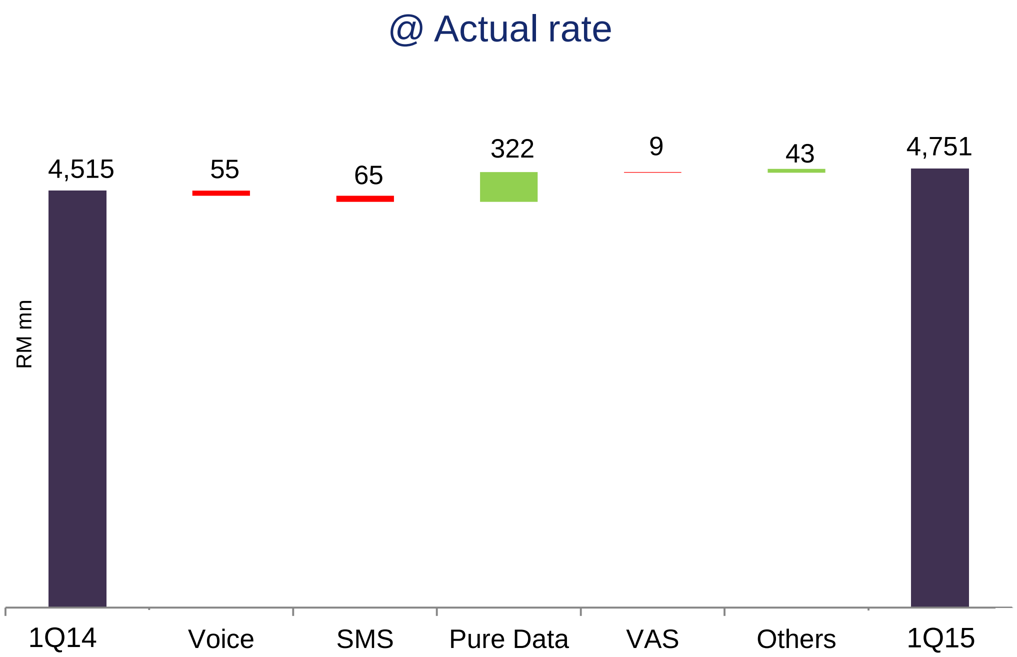
Data continues to provide strong growth momentum, voice and SMS accounts for 67% of service revenue

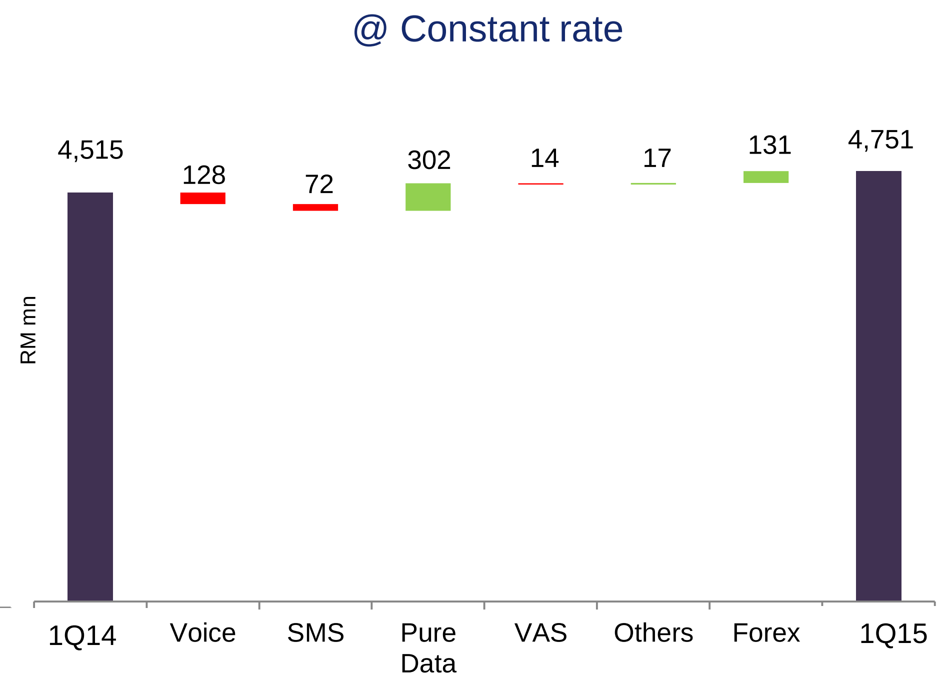
	1Q14	1Q15	1Q14 vs 1Q15
Voice	2,361	2,305	-2.3%
% of Service revenue	61.2%	57.0%	- 4.3 pp
SMS	482	417	-13.4%
% of Service revenue	12.5%	10.3%	- 2.2 pp
VAS	261	252	-3.5%
% of Service revenue	6.8%	6.2%	- 0.5 pp
Data	751	1,073	+ 42.9%
% of Service revenue	19.5%	26.5%	+ 7.0 pp
Total Service revenue	3,855	4,048	+ 5.0%
Others*	660	703	+ 6.5%
% of Total Revenue	14.6%	14.8%	+ 0.2 pp
Total Revenue	4,515	4,751	+ 5.2%

YoY data revenue increased 43% while QoQ increased 5%. Data now accounts for 26.5% of total revenue (19.5% in 1Q14).

Note:
**Others include OpCo's other revenue (including interconnect & roaming revenue at XL)*
Numbers may not add up due to rounding

Group data revenue increase cushions decline in voice and SMS



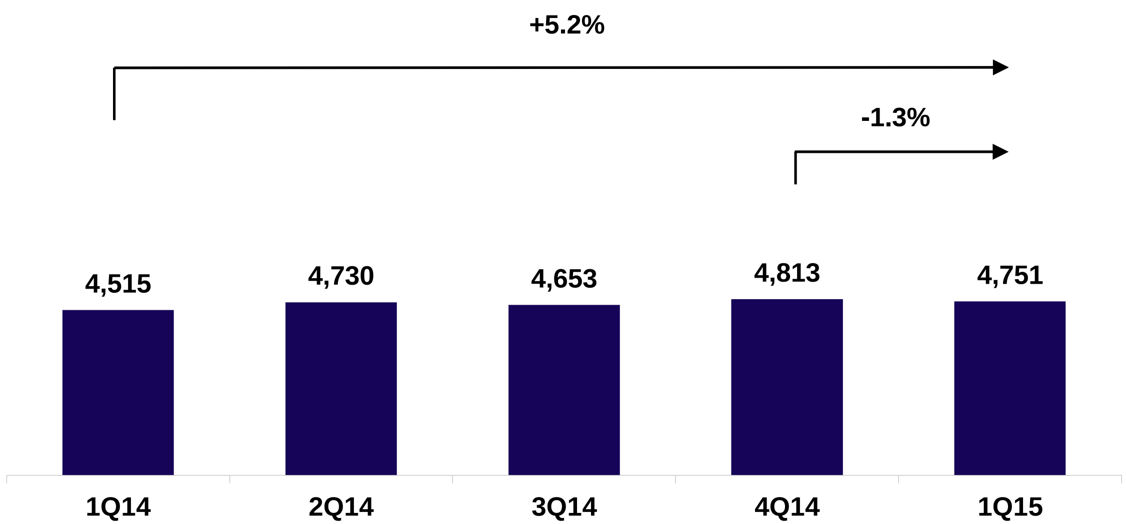


- Voice revenue dropped at Celcom. However, compensated by growth at Robi, Dialog and Smart.
- SMS business dropped at Celcom and XL. Robi, Dialog and Smart stable.
- Data revenue has shown strong growth in all markets driven by increasing smartphone penetration and data usage. Celcom is leading the overall data revenue growth.

Note: Others include OpCos' non service revenue e.g. revenue from device sales, TowerCo, USP etc, and interconnect revenue at XL.
Numbers may not add up due to rounding

Group financial performance
YoY growth mainly due to Robi, Dialog and Smart

Revenue (RM mn)

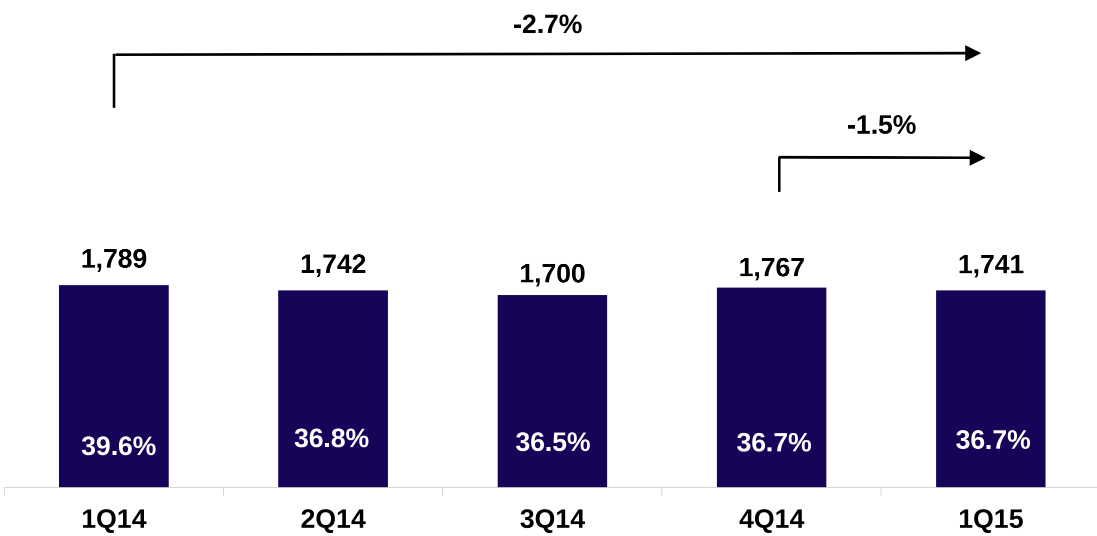


- **Revenue QoQ decreased mainly due to Celcom (lower voice and SMS) and XL (lower voice and SMS).**
- **Revenue YoY increased mainly due to Dialog (mobile and television), Robi (data and device sales) and Smart (voice and data).**
- **At constant currency:**
  - **QoQ – revenue would decrease by -3.9% (vs -1.3%)**
  - **YoY – revenue would increase by +2.3% (vs +5.2%)**

Group financial performance

YoY and QoQ EBITDA decrease mainly due to Celcom and XL

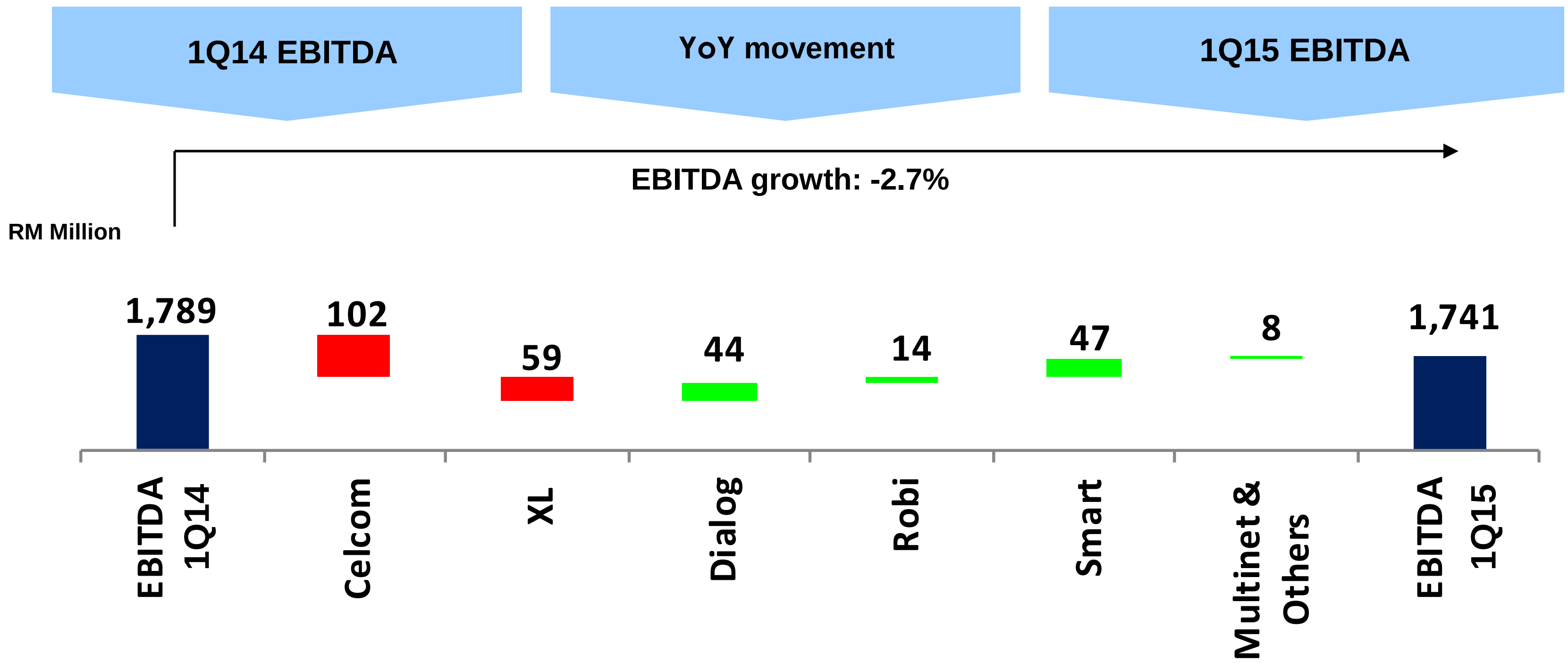
EBITDA (RM mn) & Margin (%)



- **EBITDA QoQ decreased mainly due to Celcom (lower voice and SMS revenue, higher costs associated with USP projects) and XL (lower voice and SMS revenue, and higher network costs).**
- **EBITDA YoY decreased mainly due to Celcom (higher content provider charges and device costs) and XL (higher network costs arising from Axis integration).**
- **At constant currency:**
  - **QoQ – EBITDA would decrease by -4.2% (vs -1.5%)**
  - **YoY – EBITDA would decrease by -5.4% (vs -2.7%)**

Group EBITDA: 1Q14 → 1Q15

YoY EBITDA decreased due to Celcom and XL (higher costs)

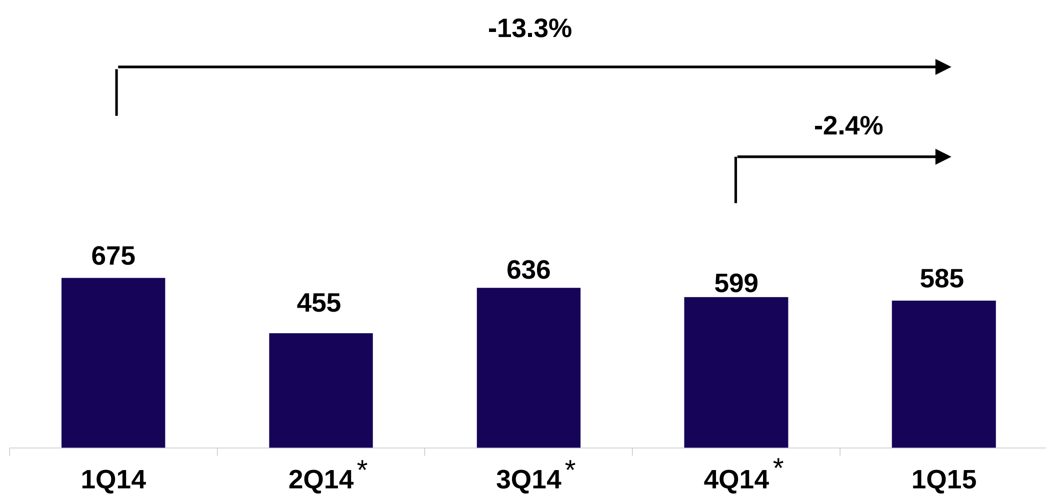


EBITDA	1Q14	YoY Growth Rates		EBITDA	1Q15
Celcom	815	(-102)	-12.5%	Celcom	713
XL	636	(-59)	-9.3%	XL	577
Dialog	119	(+44)	+37.5%	Dialog	163
Robi	193	(+14)	+7.0%	Robi	207
Smart	54	(+47)	+87.3%	Smart	101
Multinet & Others	(28)	(+8)	+27.5%	Multinet & Others	(20)
GROUP	1,789	(-48)	-2.7%	GROUP	1,741

Group financial performance

Lower YoY and QoQ PATAMI mainly due to XL from lower EBITDA and forex losses

PATAMI (RM mn)

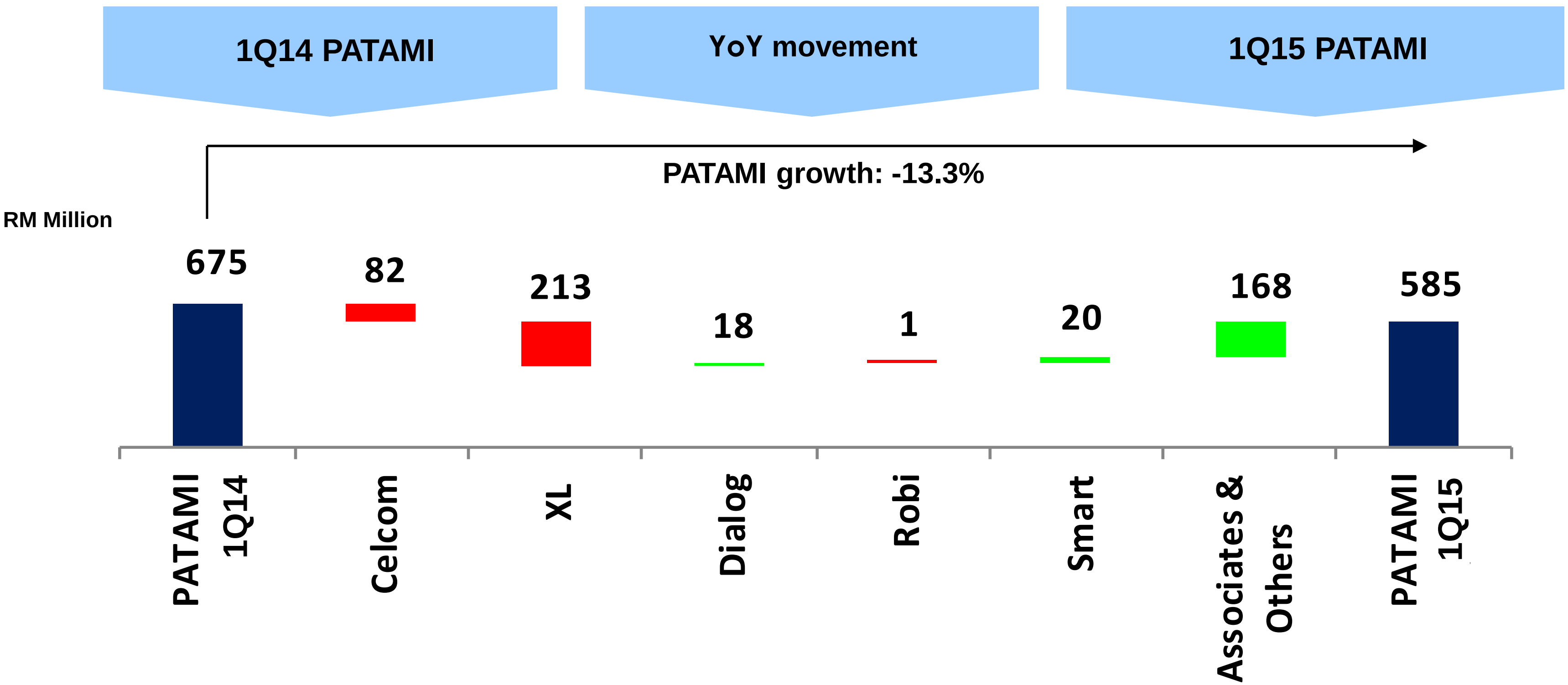


- **PATAMI QoQ decreased mainly due to XL (lower EBITDA and forex losses, off-set partly by lower taxation) and offset partly by higher profits from Smart, Dialog and contribution from Idea.**
- **PATAMI YoY decreased mainly due to Celcom (lower EBITDA) and XL (lower EBITDA, higher depreciation & amortisation and forex losses, off-set partly by lower taxation), off-set partly by forex gains at Axiata and profits from Smart, Dialog and contribution from Idea.**
- **At constant currency:**
  - **QoQ – PATAMI would decrease by -4.4% (vs -2.4%)**
  - **YoY – PATAMI would decrease by -16.0% (vs -13.3%)**

* *On 19 March 2014, PT XL Axiata Tbl ("XL") completed the acquisition of Axis Telekom Indonesia ("Axis"). As at 31 December 2014, purchase price allocation for the acquisition of Axis was not completed and the goodwill was accounted for on a provisional basis. In March 2015, XL completed the purchase price allocation review and retrospectively adjusted the provisional amounts recognised at the acquisition date to reflect the new information obtained about facts and circumstances that existed as of the acquisition date.*

Group PATAMI: 1Q14 → 1Q15

YoY PATAMI decreased mainly from XL (due to lower EBITDA and forex losses) and Celcom (lower EBITDA)



PATAMI	1Q14	YoY Growth Rates		PATAMI	1Q15
Celcom	458	(-82)	-18.0%	Celcom	376
XL	70	(-213)	-303.5%	XL	(143)
Dialog	27	(+18)	+67.9%	Dialog	45
Robi	41	(-1)	-2.2%	Robi	40
Smart	21	(+20)	+95.8%	Smart	41
Associates & Others	58	(+168)	+291.7%	Associates & Others	226
GROUP	675	(-90)	-13.3%	GROUP	585

Group borrowings & cash
As at 31 March 2015

Group Borrowings

RM Million	Loan Currency	Conventional	Islamic	Total
Holdco & Non Opco	USD	1,129	-	1,129
	Sub-total	**1,129**	**-**	**1,129**
Opcos	USD	5,102	-	5,102
	Local	2,973	4,986	7,959
	Sub-total	**8,075**	**4,986**	**13,061**
Total Group		**9,204**	**4,986**	**14,190**

50% of total group external USD loan are hedged via hedge instruments or hedge naturally.

Group Cash Balance

RM Million	Currency	Amount
Holdco & Non Opco	USD & other FCY	309
	Local	230
	Sub-total	**539**
Opcos	USD	240
	Local	4,875
	Sub-total	**5,115**
Total Group		**5,654**

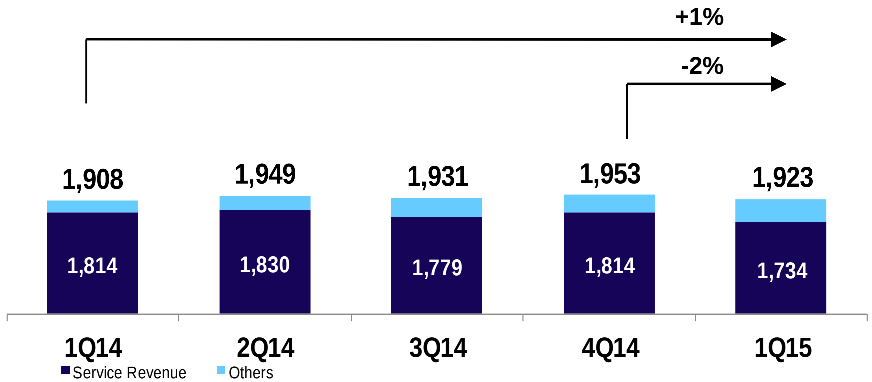
All OpCos currencies appreciated against RM in 1Q15

	OpCo Currency Vs RM, USD – Avg 1Q15 vs 4Q14		OpCo Currency Vs RM, USD – Avg 1Q15 vs 1Q14	
Indonesia Rupiah, IDR	+2.91%	-4.29%	+1.43%	-7.47%
Sri Lanka Rupee, LKR	+6.22%	-1.21%	+8.29%	-1.21%
Bangladesh Taka, BDT	+7.05%	-0.44%	+9.58%	-0.03%
US Dollar, USD	+7.52%	+0.00%	+9.62%	+0.00%
Singapore Dollar, SGD	+2.73%	-4.45%	+2.63%	-6.38%
Pakistan Rupee, PKR	+8.06%	+0.50%	+12.02%	+2.19%
Indian Rupee, INR	+6.98%	-0.50%	+8.85%	-0.71%
Malaysia Ringgit, RM	+0.00%	-7.52%	+0.00%	-9.62%

Impact to translated RM revenue is +2.6pp QoQ and +2.9pp YoY

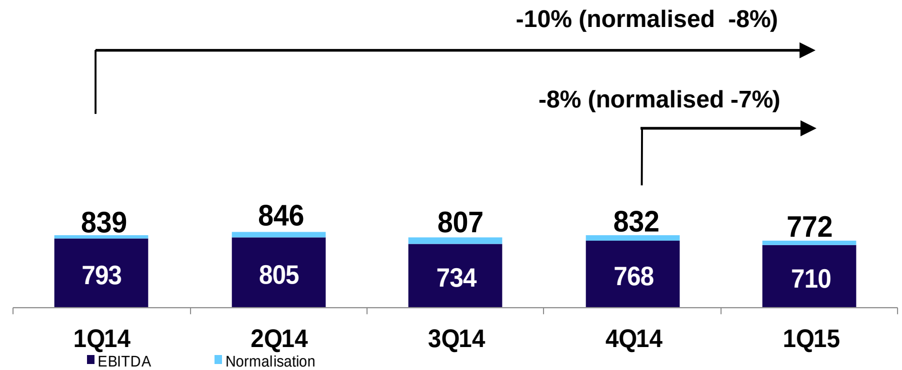
Celcom: financial performance
A seasonally challenging quarter post festivities

Revenue (RM mn) & % of revenue (%)



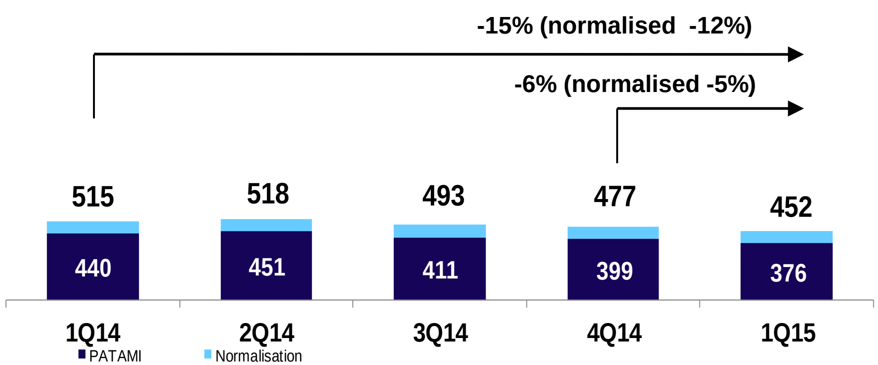
	1Q14	2Q14	3Q14	4Q14	1Q15
Total Non Voice incl. SMS	36.3%	37.1%	36.5%	39.0%	38.1%
Total Non Voice excl. SMS	28.7%	30.1%	30.0%	32.5%	33.1%
Sales of handset and devices	24	46	48	61	94

EBITDA (RM mn) & Margins (%)*



	1Q14	2Q14	3Q14	4Q14	1Q15
EBITDA Margin	44.0%	43.4%	41.8%	42.6%	40.1%

PATAMI (RM mn)*



- **Albeit a slower quarter QoQ, data revenue continue to grow favourably supported by an increase in mobile internet revenue (+5%). However, this was insufficient to offset the decline in voice (-5%) and SMS (-23%) revenue.**
- **Margin moderated driven by the 54% QoQ higher sales of handsets and devices.**

*
1.EBITDA/PATAMI excludes one of gain on disposal of Edotco of RM1,009mil
2.Normalisation – excludes impact of Edotco disposal , holding company charge, Escape, and interest/charges on Sukuk

Celcom: financial performance
Margin moderated by the higher sale of handsets and devices

Operating Expenses^

% of Revenue	1Q14	4Q14	1Q15
Direct Expenses	26.8%	27.7%	29.8%
Sales and Marketing	7.7%	6.1%	6.3%
Network Cost	10.1%	10.6%	9.6%
Staff Cost	7.7%	7.5%	7.3%
Bad Debts	0.0%	0.9%	0.5%
Others	3.7%	4.6%	6.3%
Total Expenses	56.0%	57.4%	59.8%
EBITDA Margin	44.0%	42.6%	40.1%
Depreciation & Amortisation	9.4%	10.2%	9.0%

Financial Position (RM mn)

	31 Mar 14	31 Mar 15
Capex	184	186
Cash and Cash Equivalents	1,852	2,537
Gross Debt	4,989	4,986
Net Assets	-406	-700
Gross Debt / Equity (x)	n/m	n/m
Gross Debt / EBITDA (x)	1.5	1.6

QoQ

- Direct expenses increased in tandem with higher sale of handsets and devices.
- Higher other cost was associated with USP projects completed during the quarter.

YoY

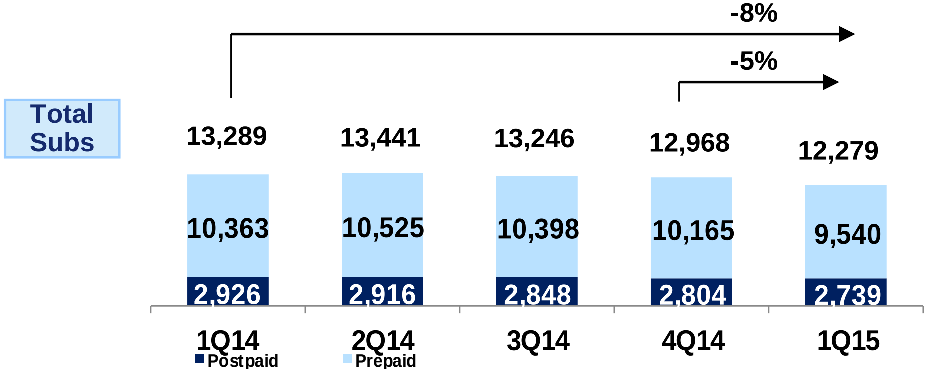
- Direct expenses increased in tandem with higher sale of handsets and devices, and content costs.
- Lower sales & marketing cost due to lower sales incentives.
- Higher other cost was associated with USP projects completed during the quarter.

^ OPEX and EBITDA Margin excludes holding company charge, impact of Edotco disposal and Escape

Celcom: operational performance
Blended ARPU remained resilient

Subscribers (000's)

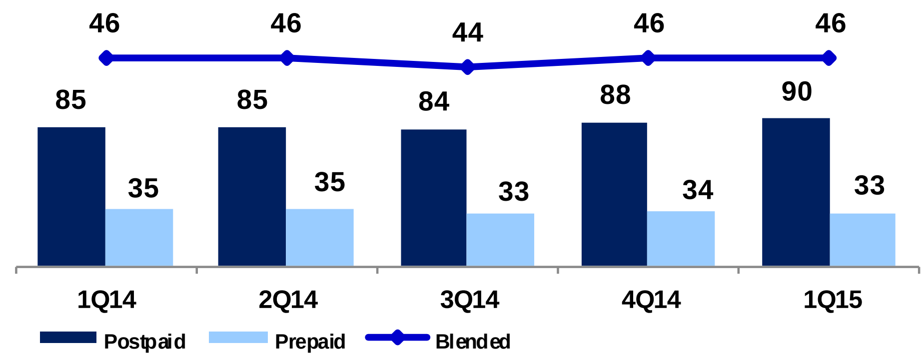
Net Adds	152	152	-195	-278	-688
Prepaid	150	162	-127	-233	-624
Postpaid	1	-10	-68	-44	-64



Broadband Subs^	1,228	1,302	1,433	1,489	1,534

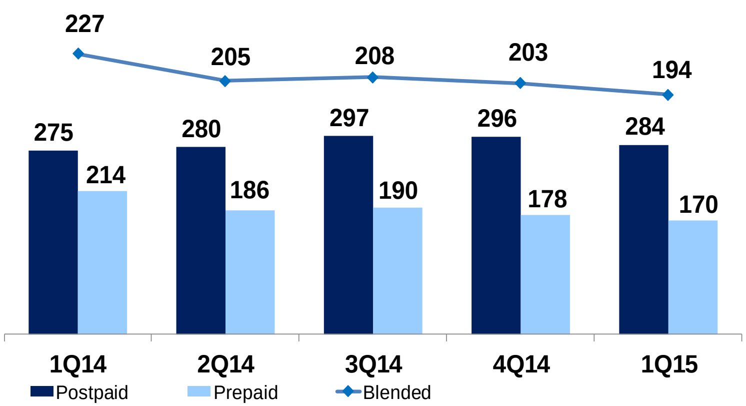
^ Included as part of postpaid subscriber. ARPU and subscriber are based on postpaid monthly plan

ARPU (RM)



Broadband ARPU^	53	51	49	46	41

MOU/sub (min)

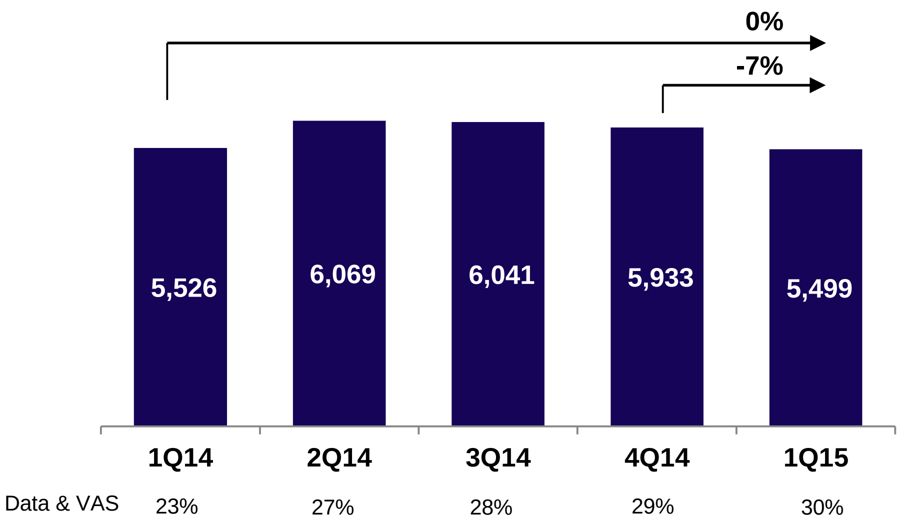


- **Subscriber acquisition competition intensified mainly in the prepaid segment.**
- **Continue to focus on quality acquisition and retention.**
- **A seasonal declined of blended MOU per sub. Nevertheless, blended ARPU remained fairly stable fuelled by an uplift in data revenue.**

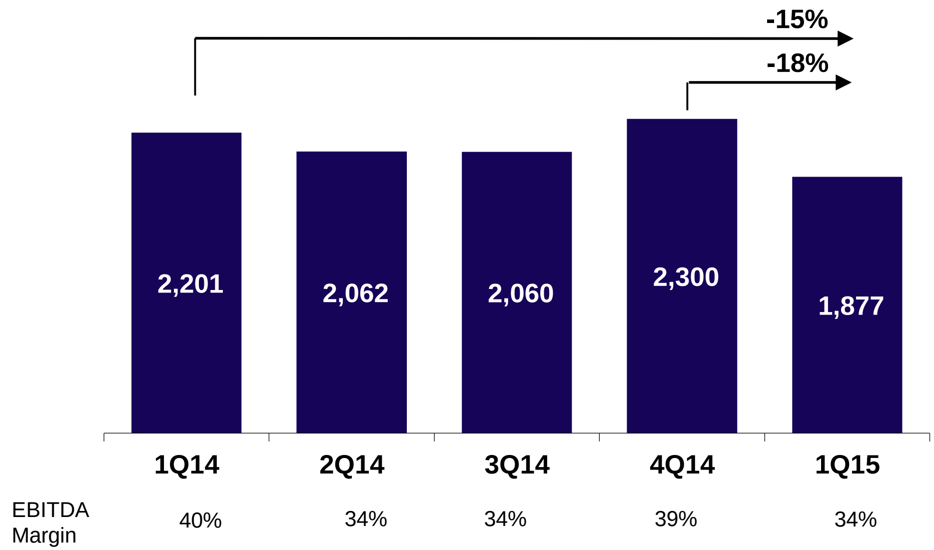
XL: financial performance

Transformation agenda implemented focusing on long-term value creation

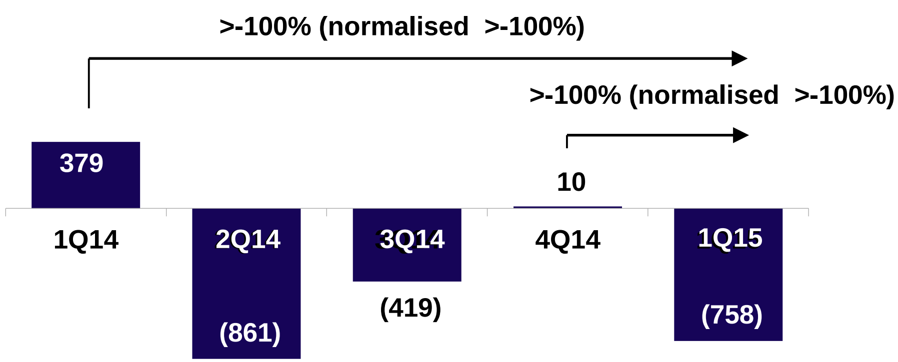
Revenue (IDR bn) & % of revenue (%)



EBITDA (IDR bn) & Margin (%)



PAT (IDR bn)



- **Revenue was flat YoY due to lower tower revenue post completion of tower sale in December 2014. Cellular revenue grew +3%YoY with data and VAS revenue growth of +31%YoY as data traffic rose +92%YoY.**
- **EBITDA dropped -15% YoY to Rp1.9 trillion with EBITDA margin reducing to 34%. This is due to the tower sale which resulted in lower tower revenue and higher leasing costs and the completion of Axis consolidation only at the end of 1Q14.**
- **In 1Q15, XL implemented its transformation strategy with a focus on long-term value creation which will have a near-term impact.**

XL: financial performance
Margins impacted from tower sale completed in December 2014

Operating Expenses

% of Revenue	1Q14	4Q14	1Q15
Direct Expenses	15.2%	13.3%	13.0%
Sales and Marketing	5.3%	6.9%	4.2%
Network Cost	32.5%	32.9%	40.8%
Staff Cost	4.9%	4.7%	4.6%
Others	2.0%	3.3%	2.9%
Total Expenses	59.9%	61.0%	65.5%
EBITDA Margin	39.8%	38.8%	34.1%
Depreciation & Amortisation	28.2%	30.1%	32.6%

Financial Position (IDR bn)

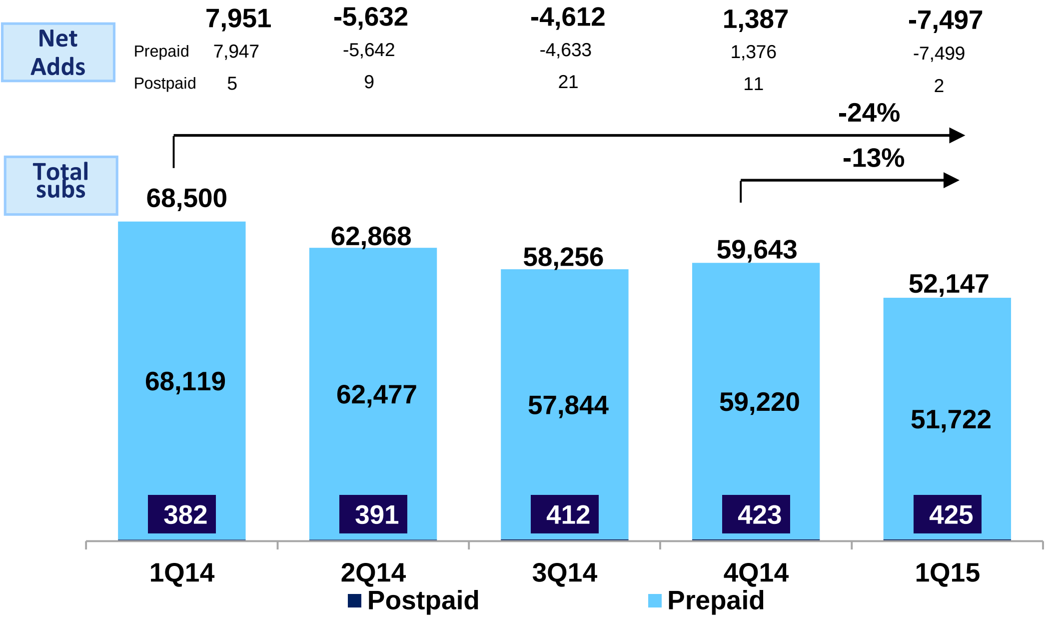
	31 Mar 14	31 Mar 15
Capitalized Capex	1,747	1,211
Cash and Cash Equivalents	2,472	6,853
Net Debts	25,923	23,415
Net Assets	14,471	13,283
Debt / Equity (x)	2.0	2.3
Debt / EBITDA (x)	3.2	3.6

- **Direct expenses – decreased YoY due to decline in interconnect costs from lower off-net SMS traffic.**
- **Sales and Marketing expenses – decreased QoQ due to a more effective commissions structure in-line with the transformation strategy to improve the traditional channels.**
- **Network cost – increased as XL continued to rollout network infrastructure and higher lease costs post tower sale to STP. In 4Q14, there was also a one-off reversal of provision resulting in lower costs.**

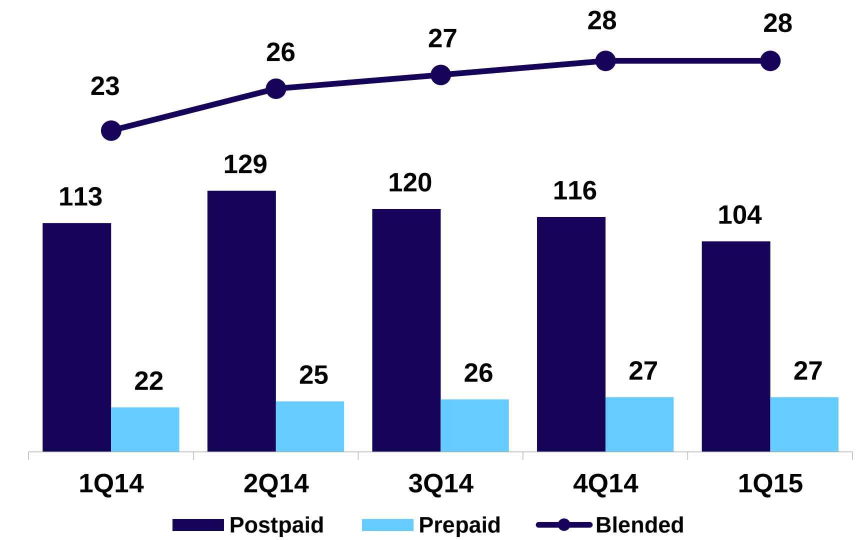
XL: operational performance

More than 50% data subscribers with higher data adoption

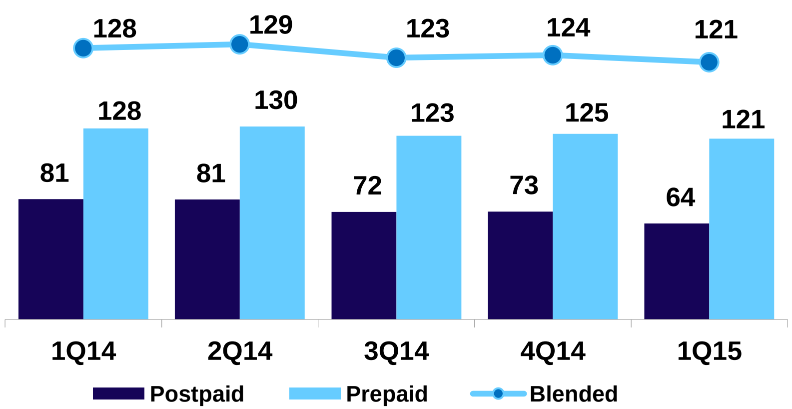
Subscribers (000's)



ARPU (IDR thousands)



MOU/sub (min)

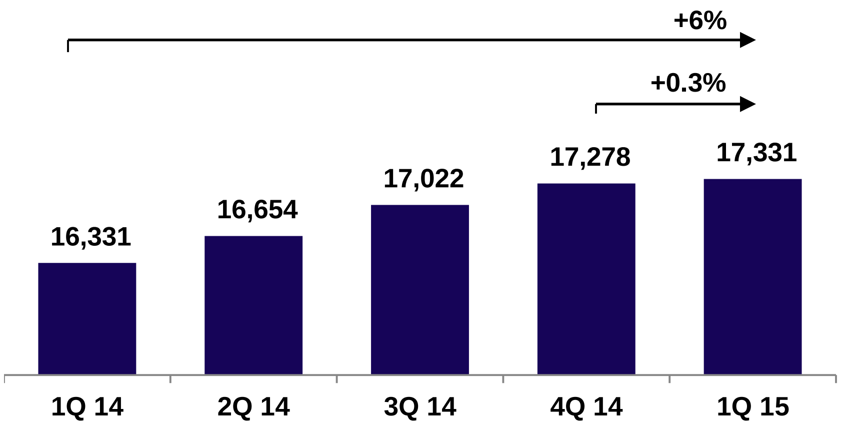


- **Total data subscribers reached 28.2 million or 54% of the total base while ARPU was flat QoQ.**
- **Lower MOU due to voice-to-data substitution.**

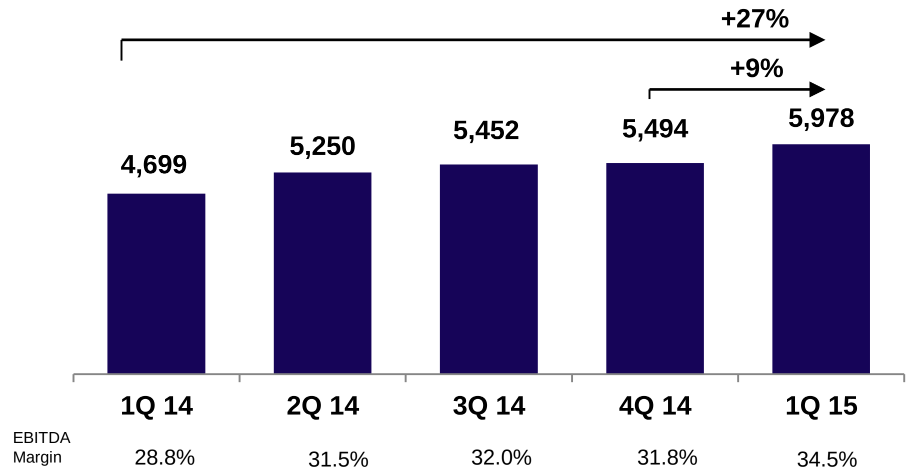
Dialog: financial performance

1Q15 profitability improved driven by operational efficiencies centered on cost management initiatives

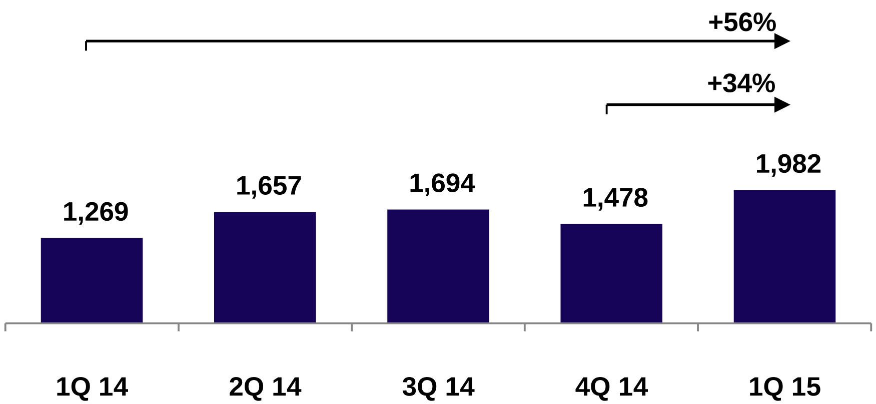
Revenue (SLR mn)



EBITDA (SLR mn) & margins (%)



PAT (SLR mn)



- Revenue grew by 0.3% QoQ and 6% YoY, driven by growth in mobile data, television and fixed LTE revenues.
- QoQ EBITDA growth driven by lower cost as a result of cost initiatives undertaken whilst YoY Group EBITDA improved from both growth in revenue and cost management initiatives.
- PAT grew by 34% QoQ and 56% YoY on the back of strong performance in EBITDA.

Dialog: financial performance

Cost management initiatives continue to drive down operating costs

Operating Expenses

% of Revenue	1Q 14	4Q 14	1Q 15
Direct expenses	30.6%	27.7%	28.0%
Sales & Marketing	12.3%	13.5%	12.3%
Network costs	12.9%	12.6%	10.9%
Staff costs	8.7%	8.5%	8.1%
Bad debts	1.5%	0.5%	0.8%
Overheads	5.3%	5.4%	5.3%
Total Expenses	71.3%	68.2%	65.5%
EBITDA Margin	28.8%	31.8%	34.5%
Depreciation & Amortisation	19.9%	19.4%	19.0%

- 1Q15 EBITDA margin improved by 5.7pp on the back of operating cost efficiencies centered on cost management Initiatives.

Financial Position (SLR mn)

	31 Mar 14	31 Mar 15
Capex	3,160	2,249
Cash & Cash Equivalents	3,517	11,481
Gross Debt	27,635	28,169
Net Assets	40,987	46,773
Gross Debt / equity (x)	0.67	0.60
Gross Debt/ EBITDA (x)	1.47	1.18
Net Debt/ EBITDA (x)	1.39	0.70

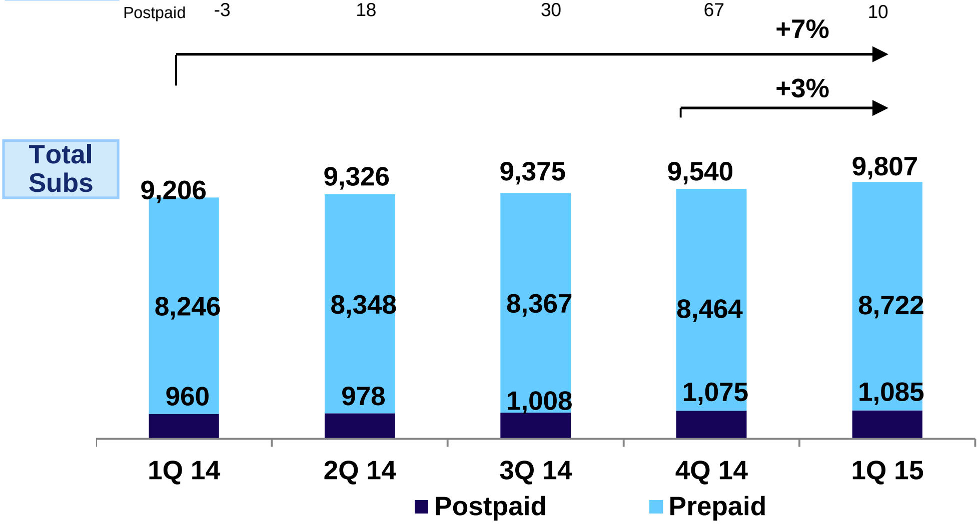
- Group continues to maintain a strong balance sheet with net debt to EBITDA at 0.7x as at end of March 2015.

Dialog: operational performance

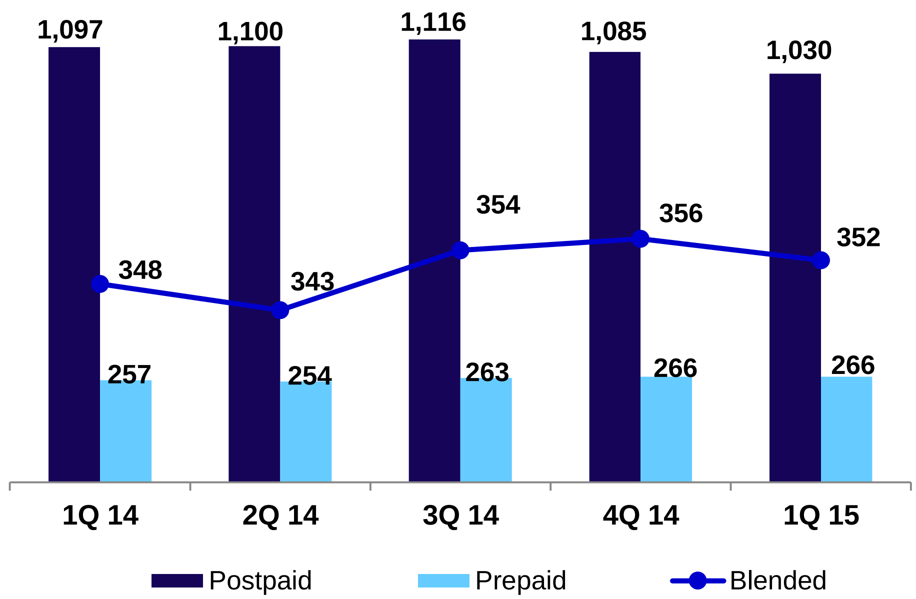
Mobile subscriber growth continues; up 3% QoQ and 7% YoY

Subscribers (000's)

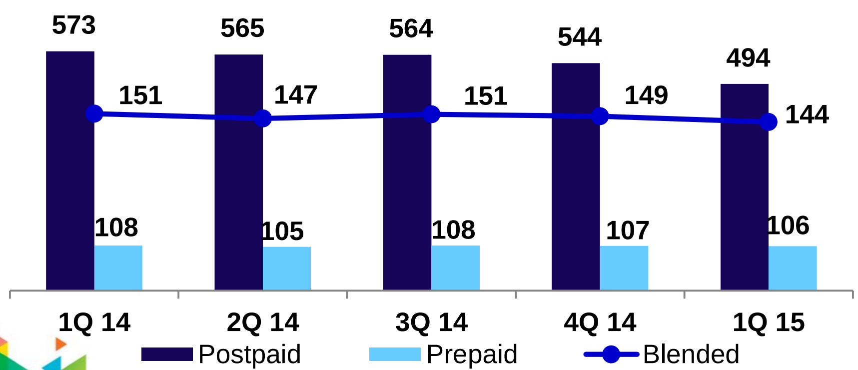
Net Adds	489	120	49	165	267
Prepaid	492	102	19	98	258
Postpaid	-3	18	30	67	10



ARPU (SLR)



MOUs (min)*



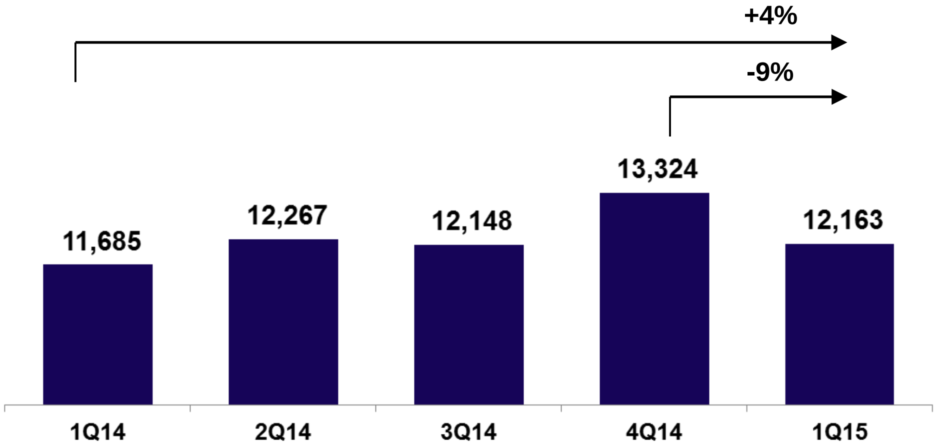
** MOUs are based on outgoing min*

- **Prepaid segment driving the subscriber growth of 3% QoQ and 7% YoY.**
- **Marginal decline in MoUs and ARPUs QoQ.**

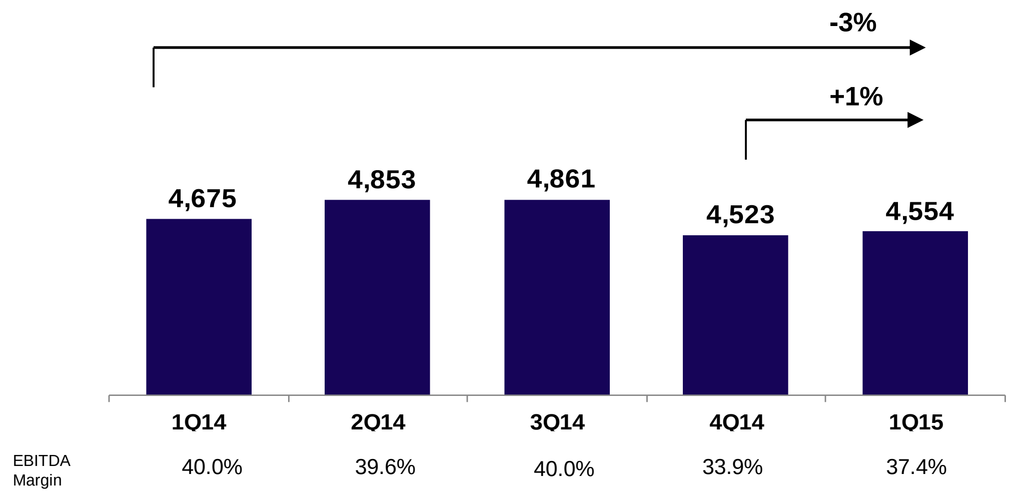
Robi: financial performance

YoY 4% revenue growth despite countrywide political turmoil

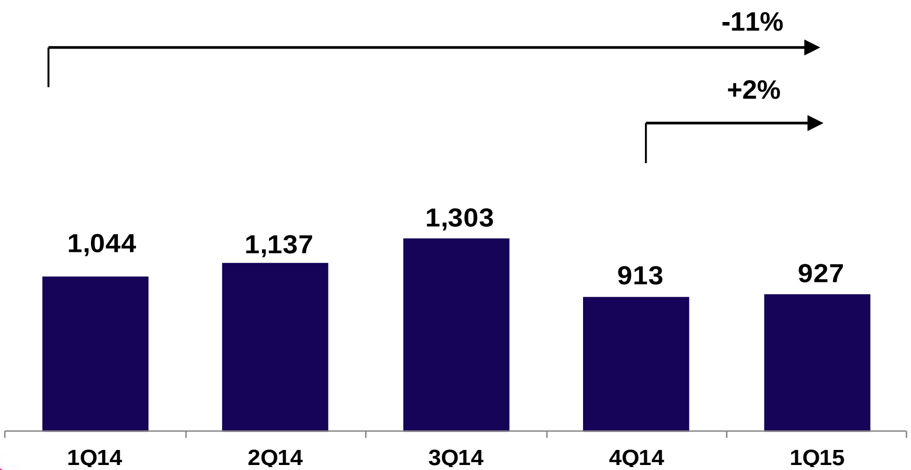
Revenue (BDT mn)



EBITDA (BDT mn) and Margins (%)



PAT (BDT mn)



- **YoY revenue growth of 4% driven by growth in data (171%), wholesale and interconnect revenue. QoQ revenue declined by 9% mainly due to lower device revenue and seasonality.**
- **QoQ EBITDA increased marginally mainly by smart spending and lower cost from lesser device sales. YoY EBITDA margin impacted due to higher sales & marketing expenses to address competition and increased in bad debts expense.**
- **YoY PAT impacted by lower EBITDA and higher depreciation and amortisation charge of BDT 278mn.**

Robi: financial performance

YoY EBITDA margin fell due to bad debts and higher sales and marketing expenses

Operating Expenses

% of Revenue	1Q 14	4Q 14	1Q 15
Direct expenses	32.3%	39.3%	33.3%
Sales & Marketing	4.4%	5.7%	5.7%
Network costs	11.6%	10.3%	11.2%
Staff costs	5.5%	5.5%	5.0%
Bad debts	0.0%	0.5%	1.3%
Others	6.2%	4.7%	6.1%
Total Expenses	60.0%	66.1%	62.6%
EBITDA Margin	40.0%	33.9%	37.4%
Depreciation & Amortisation	19.6%	20.6%	21.1%

Financial Position (BDT mn)

	31 Mar 14	31 Mar 15
Capex	4,999	6,409
Cash & Cash Equivalents	5,145	533
Gross Debt	11,092	10,428
Net Assets	43,158	45,675
Gross Debt / equity (x)	0.26	0.23
Gross Debt/ EBITDA (x)	0.59	0.57

Capex investment continues to enhance 3G footprint and provide better 2G experience.

QoQ

- Lower direct expenses – due to lower device sale.
- Experienced higher bad debt.

YoY

- Higher direct expenses – mainly for higher device cost and higher sale of SIM.
- Higher sales and marketing as a result of stiff competition.

Balance sheet

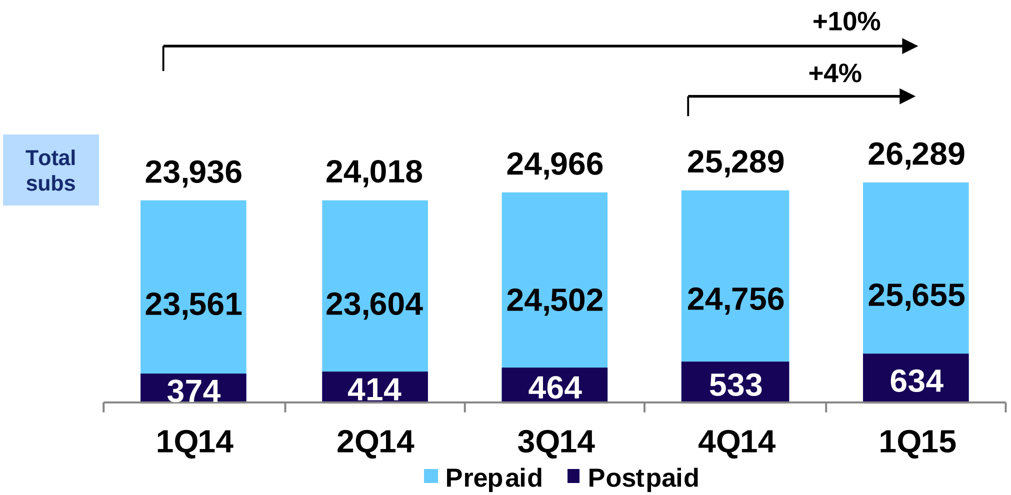
- Healthy balance sheet structure with strong leverage position for funding.

Robi: operational performance

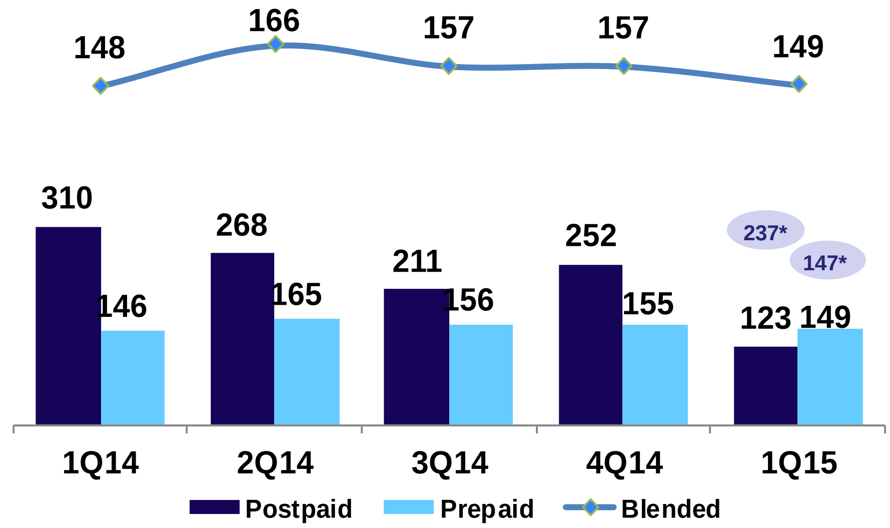
Robust subscriber acquisition, YoY 10% growth

Subscribers (000's)

		1Q14	2Q14	3Q14	4Q14	1Q15
Net Adds		-1,445	82	948	323	1,001
	Prepaid	-1,503	42	898	254	899
	Postpaid	59	40	50	69	101

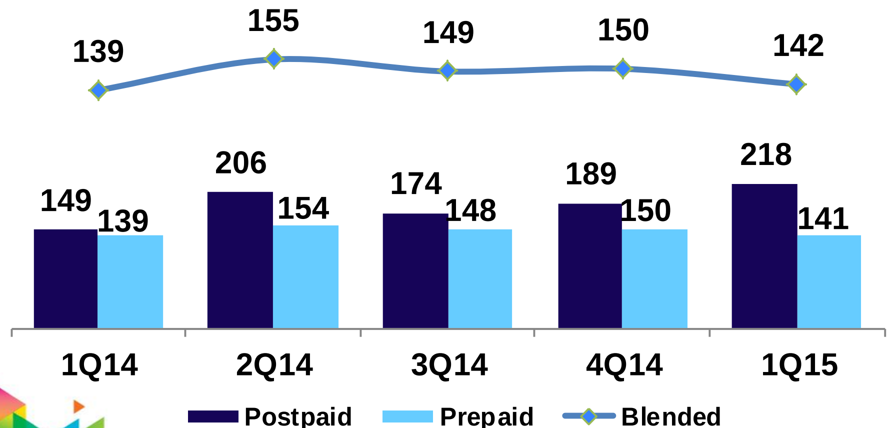


ARPU (BDT)



** Normalise SME revenue adjustment. SME revenue and subscribers to be reclassified under prepaid revenue in 1Q15.*

MOU/sub (min)



Note: - ARPU, MOU/Sub are based on active subscriber base.

- **QoQ ARPU and MoU/sub declined due to seasonality and acquisition of rural lower value subscribers.**

Regional mobile: QoQ performance highlights

COMPANY	HIGHLIGHTS	QUARTER ON QUARTER PERFORMANCE		
		Revenue	EBITDA	PAT
!dea	During 4QFY15, Idea carried 185.0bn minutes on its network, registering 8.4% QoQ growth; and 54.5bn MB of mobile data on its 2G+3G platform, registering 18.3% QoQ growth. Subscriber base increase 4.8% to 158mn while ARPU remained flat at Rs.179.	↑ 5%	↑ 11%	↑ 23%
m1	During the quarter, M1 added 8k postpaid customers and 10k prepaid customers, bringing the total mobile customer base to 1.87 million. Monthly postpaid churn improved to 1.0%, compared to 1.2% in the preceding quarter. M1 also added 5,000 fibre customers during the quarter to bring its base to 108,000.	↓ 3%	↓ 4%	↑ 3%

Note:
1) M1 performance based on service revenue
2) Idea and wholly owned subsidiaries on a consolidated basis. Idea results for 4QFY15 vs 3QFY15.

Regional mobile: YoY performance highlights

COMPANY	HIGHLIGHTS	YEAR ON YEAR PERFORMANCE
Idea	Recommended a dividend at the rate of ₹0.60 per share, total of Rs. 2,598 million (vs ₹0.40 per share amounting to Rs. 1,554 million in FY14).	Revenue ↑ 19% · EBITDA ↑ 30% · PAT ↑ 62%
M1	Average postpaid smartphone data usage increased to 3.2GB per month in the latest quarter, from 2.8GB per month a year ago, while average prepaid data usage doubled year-on-year to 0.8GB per month.	Revenue ↑ 0.2% · EBITDA ↑ 2% · PAT ↑ 7%

Note:
1) M1 performance based on service revenue
2) Idea and wholly owned subsidiaries on a consolidated basis. Idea results for FY15 vs FY14.

Thank You

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