



3rd QUARTER 2006 RESULTS

28 November 2006

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Performance Overview

Financial Highlights

- Group revenue YTD Sept 2006 grew 18% Y o Y to RM12.0 billion as compared to YTD Sept 2005
- EBITDA improved 18% to RM5.5 billion from the corresponding period a year ago
- PATAMI excluding exceptional gain and forex YTD Sept 06 increase of 5% Y o Y vis-a-vis YTD Sept 2005

Operating Highlights

- Regional mobile customers base grew by 63% Y o Y to 26.5 million from 16.3 million
- Broadband net adds remained strong with a growth of 15% q o q in 3Q 2006 to 732k customers

Developments

- Launch of Vodafone Mobile Connect 3G Broadband (HSDPA) data card, access to Vodafone's vast international roaming footprint and the 'Blackberry by Vodafone' service powered by Celcom.

Agenda

Group Performance

Celcom Update

International Operations

Outlook

Group Financial Highlights

(In RM million, except ratios and customer numbers)

	3Q06	2Q06	Q on Q	3Q05 *	Y on Y	YTD SEP 06	YTD SEP 05 *	Y on Y
Revenue	4,228	3,976	+6.3%	3,451	+22.5%	11,991	10,188	+17.6%
EBITDA	1,889	1,675	+12.8%	1,737	+8.8%	5,482	4,659	+17.7%
EBITDA Margin	44.7%	42.1%	+2.6pp	50.3%	-5.6pp	45.7%	45.7%	-
PBT	734	672	+9.2%	931	-21.2%	2,221	1,966	+13.0%
PATAMI	482	436	+10.6%	776	-37.9%	1,437	1,577	-8.9%
PATAMI Margin	11.4%	11.0%	+0.4pp	22.5%	-11.1pp	12.0%	15.5%	-3.5pp
Mobile Customers	26.5 mil	23.9 mil.	+10.9%	16.3 mil.	+62.6 %			
Fixed [^] Customers	4.4 mil.	4.3 mil.	+2.3%	4.3mil.	+2.3%			
Broadband Customers	732k	639k	+14.6%	421k	+73.9%			

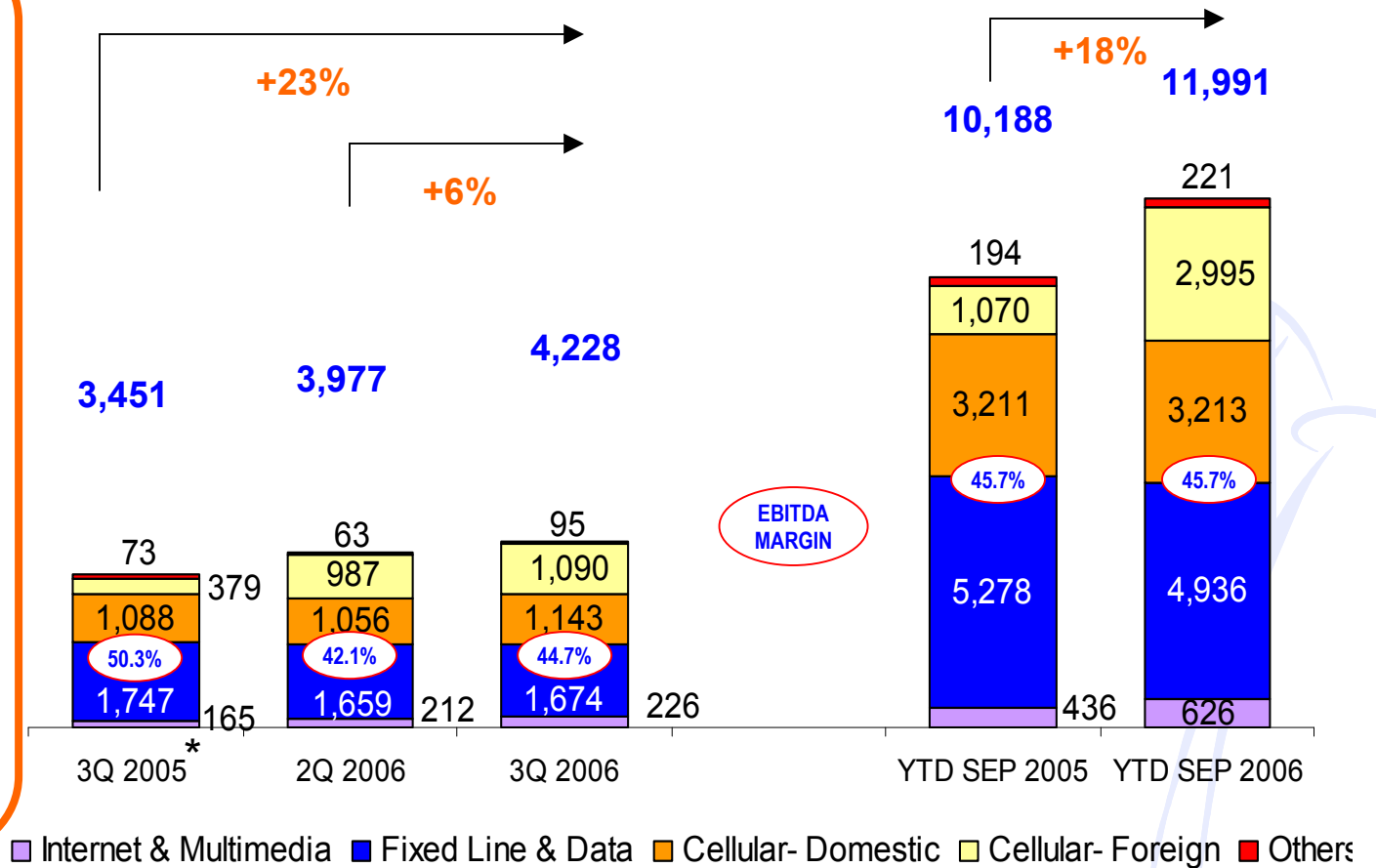
* Includes gain on dilution & disposal on Dialog (RM259m) & gain on dilution from XL's IPO (RM83m)

[^] Business & Residential

Note: PATAMI excluding exceptional gain and forex YTD Sep 06 RM1,330m (YTD Sep 05 RM1,271m)

Revenue Composition

- Continued growth in overseas cellular and improvement in domestic cellular
- Steady growth in the Internet and Multimedia segment

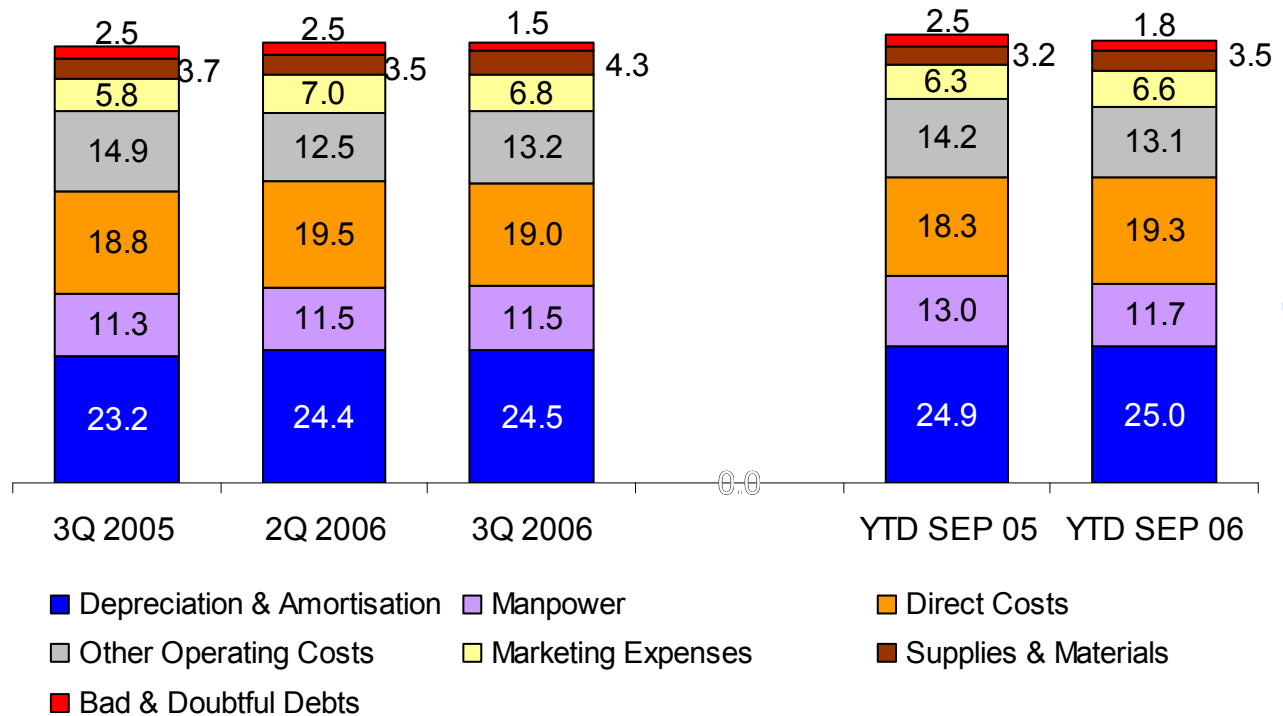


* 3Q05 includes gain on dilution on Dialog's IPO

Costs as a % of Revenue

TOTAL → 80.1% 80.8% 80.7% 82.4% 81.0%

- Lower bad and doubtful debts
- Higher Other Operating Costs include professional charges for PIP
- Higher Supplies & Materials from cable consumption due to cable theft & billable projects (RM17.2m)



Group Balance Sheet

<u>RM Million</u>	As at 30 Sept 2006	As at 31 Dec 2005
Shareholders' Funds	19,704.3	19,384.1
Minority Interests	807.2	654.0
Deferred & Long Term Liabilities	13,400.9	13,372.1
<i>Long Term Borrowings</i>	<i>10,471.5</i>	<i>10,405.0</i>
	33,912.4	33,410.2
Current Assets	8,612.8	10,430.5
<i>Cash & Bank Balances</i>	<i>4,333.1</i>	<i>6,415.6</i>
Current Liabilities	7,320.5	7,774.1
<i>Short Term Borrowings</i>	<i>1,547.3</i>	<i>1,414.1</i>
Net Current Assets	1,292.3	2,656.4
Intangible Assets	7,029.2	6,971.7
Property Plant & Equipment	23,380.5	22,320.9
Other Non-current Assets	2,210.4	1,461.2
	33,912.4	33,410.2

- Lower cash and bank balance due to :
- Payment of DT claim (RM874m)
- Investment in Casacom (RM108m), SIM (RM125m) & Spice (RM649m)
- Payment of FY05 final dividend (RM611m) & 2006 interim dividend (RM 391m)

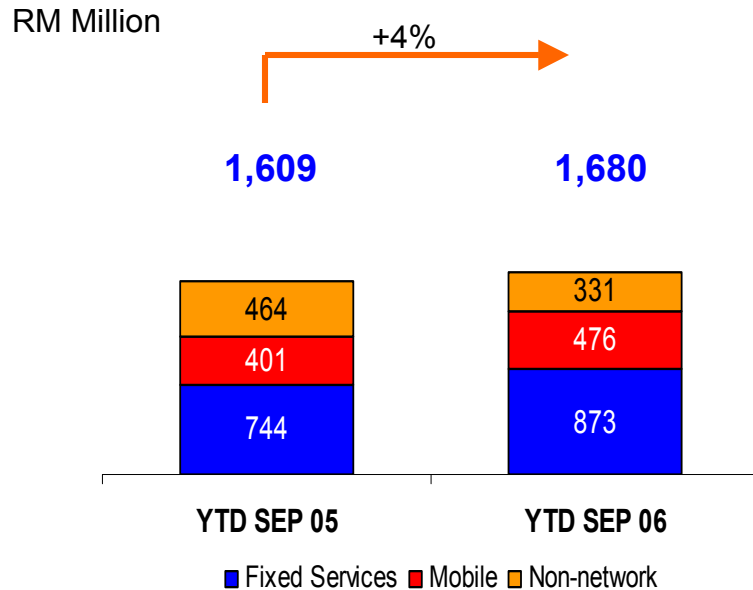
	<u>30 Sep 06</u>	<u>31 Dec 05</u>		<u>30 Sep 06</u>	<u>31 Dec 05</u>
Return on Capital Employed	11.3% [^]	9.5%	Debt to EBITDA	1.64 [^]	1.92
Return on Equity	11.0% [^]	9.0%	Net Debt/ Equity	0.39	0.27
Return on Assets	10.0% [^]	8.6%	Net Assets/Share (sen)	580.4	571.5
Current Ratio	1.18	1.34	EPS (sen)	42.4	25.8

Note: ROCE & ROE for 31 Dec 05 exclude DT Asia claim of RM880 million

[^] Annualised

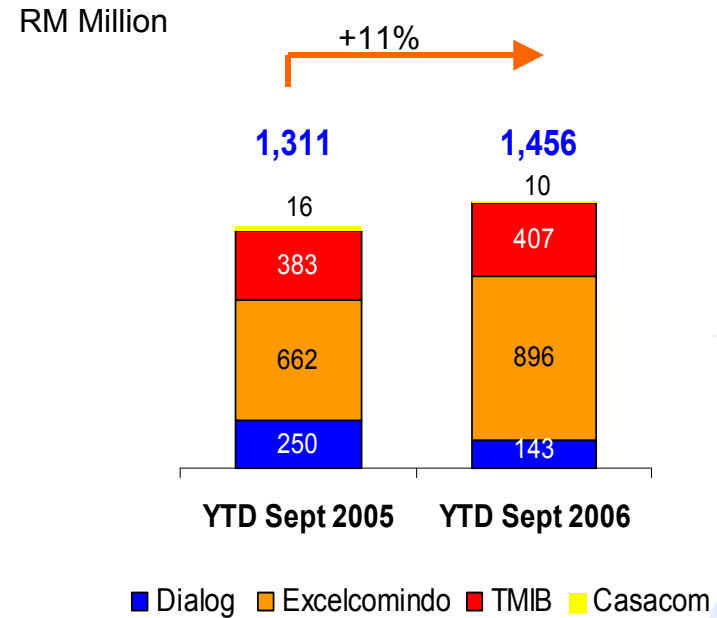
Group Capital Expenditure

Domestic



- Domestic capex mainly on Broadband and Cellular

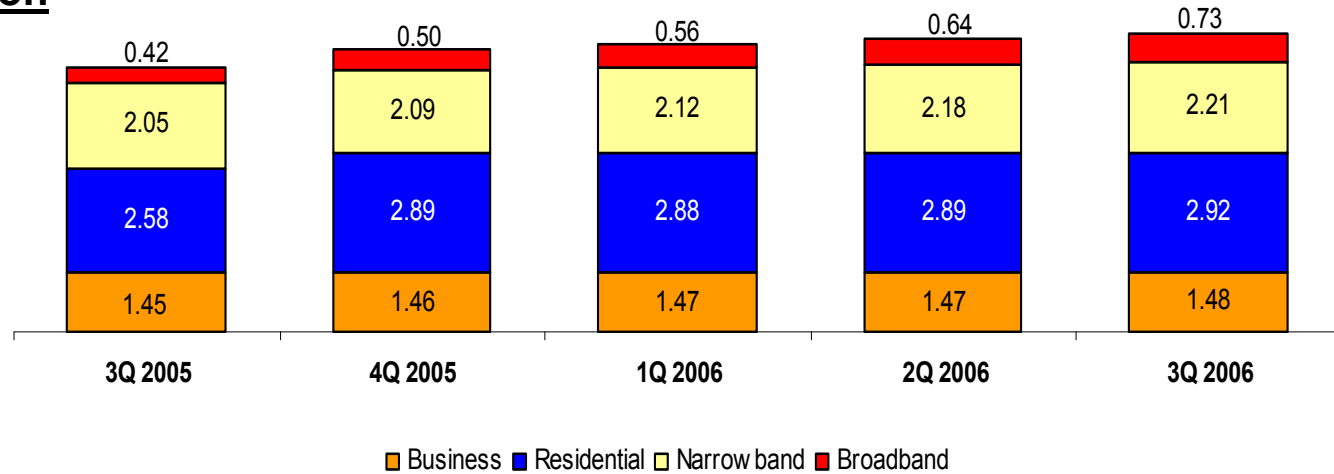
International



- Aggressive subscriber growth and network expansion are the key contributors to higher CAPEX in 2006

Customer Base - Fixed & Internet Services

Million



ARPU (RM)
Business*
Residential*
Internet Dial-up
Internet Broadband

	3Q 2005	2Q 2006	3Q 2006
Business*	139	134	139
Residential*	43	36	36
Internet Dial-up	8	7	7
Internet Broadband	101	95	94

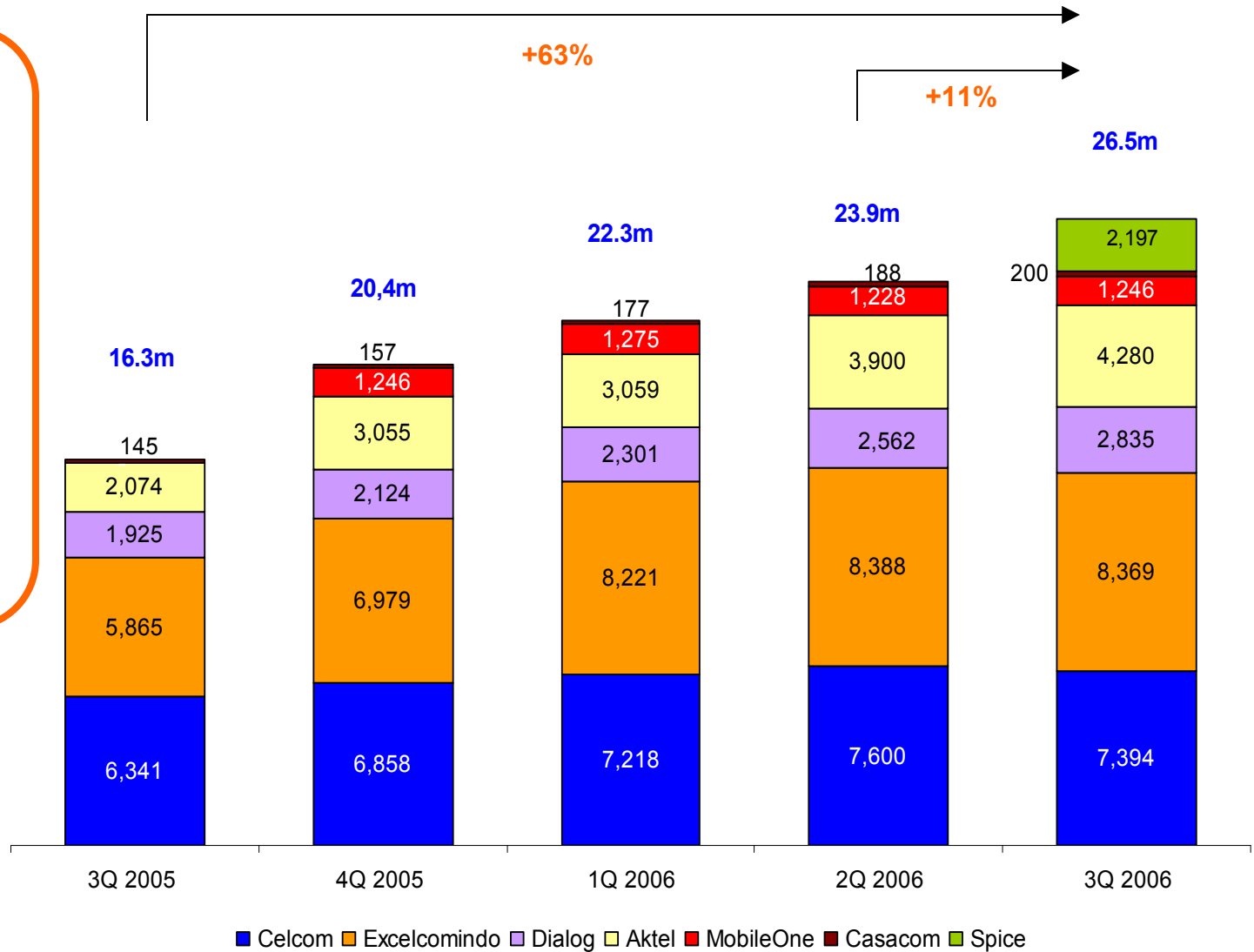


* Call usage only

Regional Customer Base - Mobile

Customers '000

• Strong Y o Y growth of regional mobile customers of 63% to 26.5 million



Agenda

Group Performance

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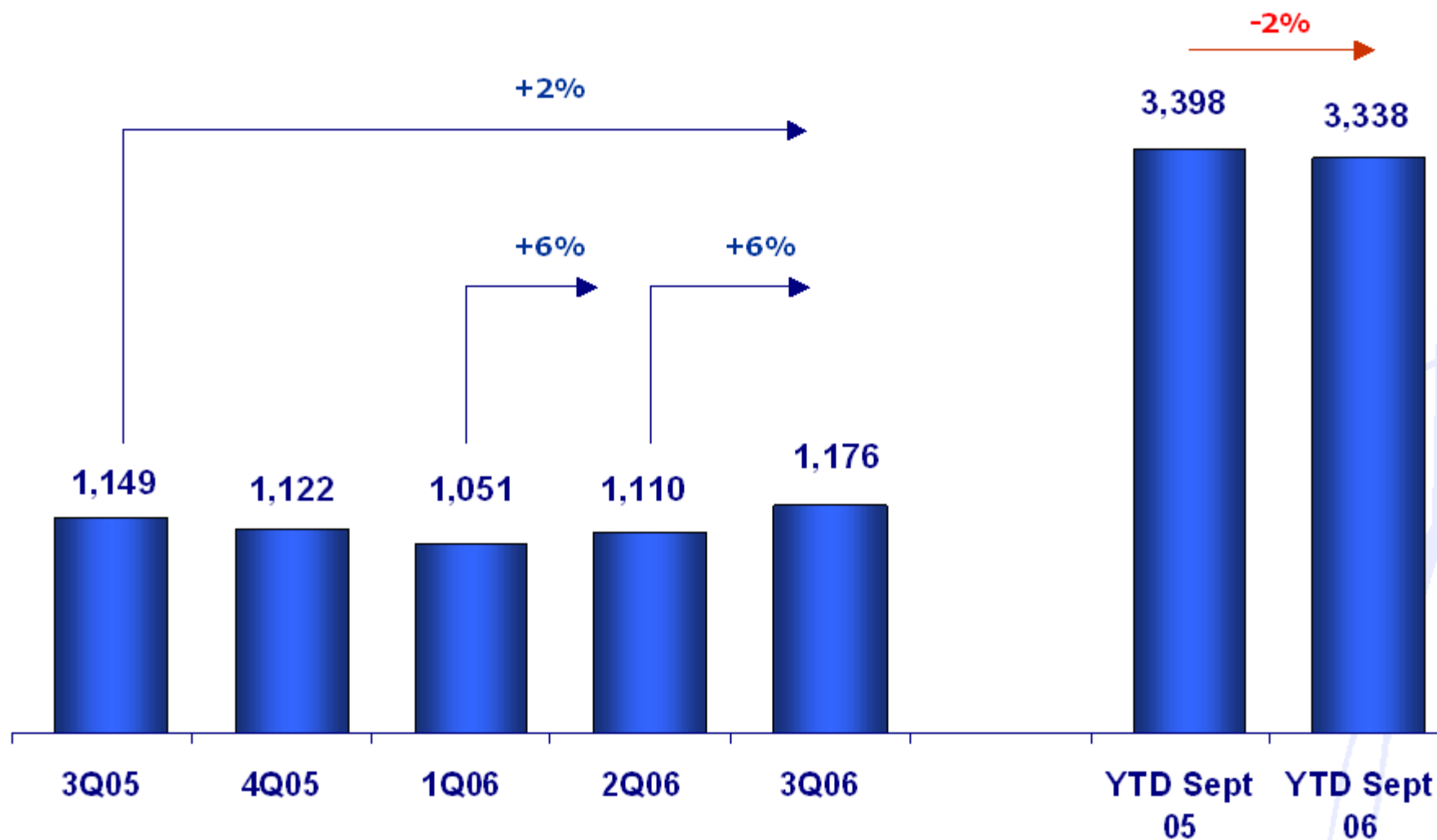
Celcom Performance Overview



- **Strong revenue growth for two consecutive quarters**
- **Margins declining but YTD earnings improved**
- **Balance sheet strengthened**
- **Lower subscribers as silent subs moving out**

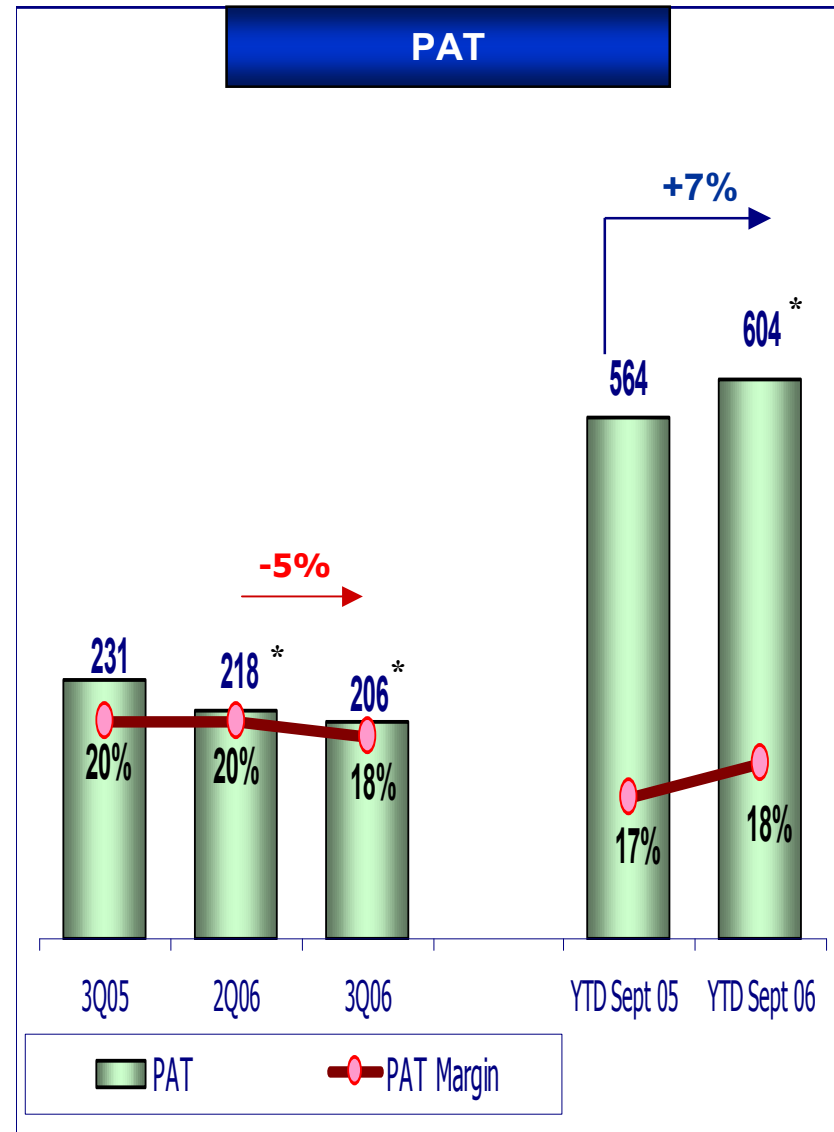
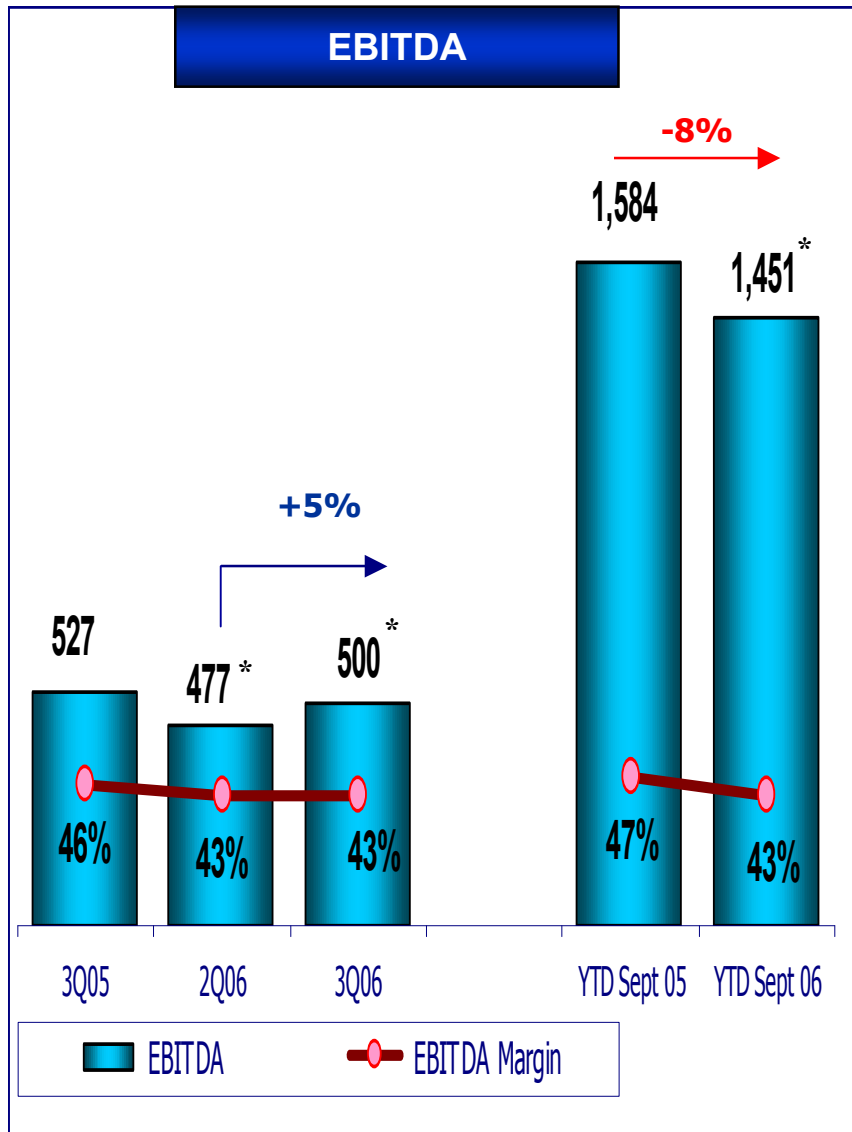


Strong revenue growth for two consecutive quarters



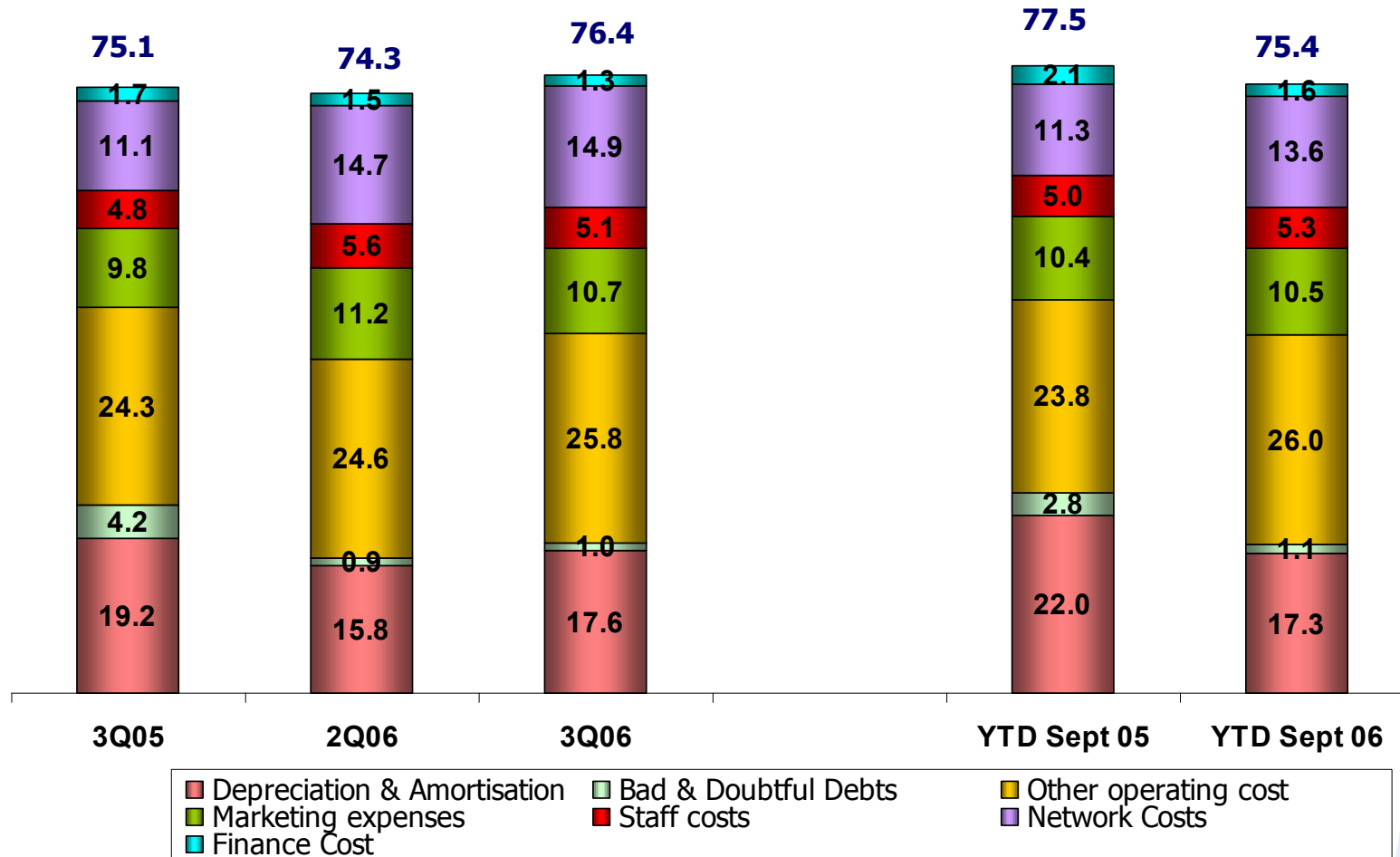
All numbers in RM millions, except ratio data

Margins declining but YTD earnings improved



* Including TM inter-co. 3G network charges

Rising costs impacted by higher depreciation



Balance sheet strengthened

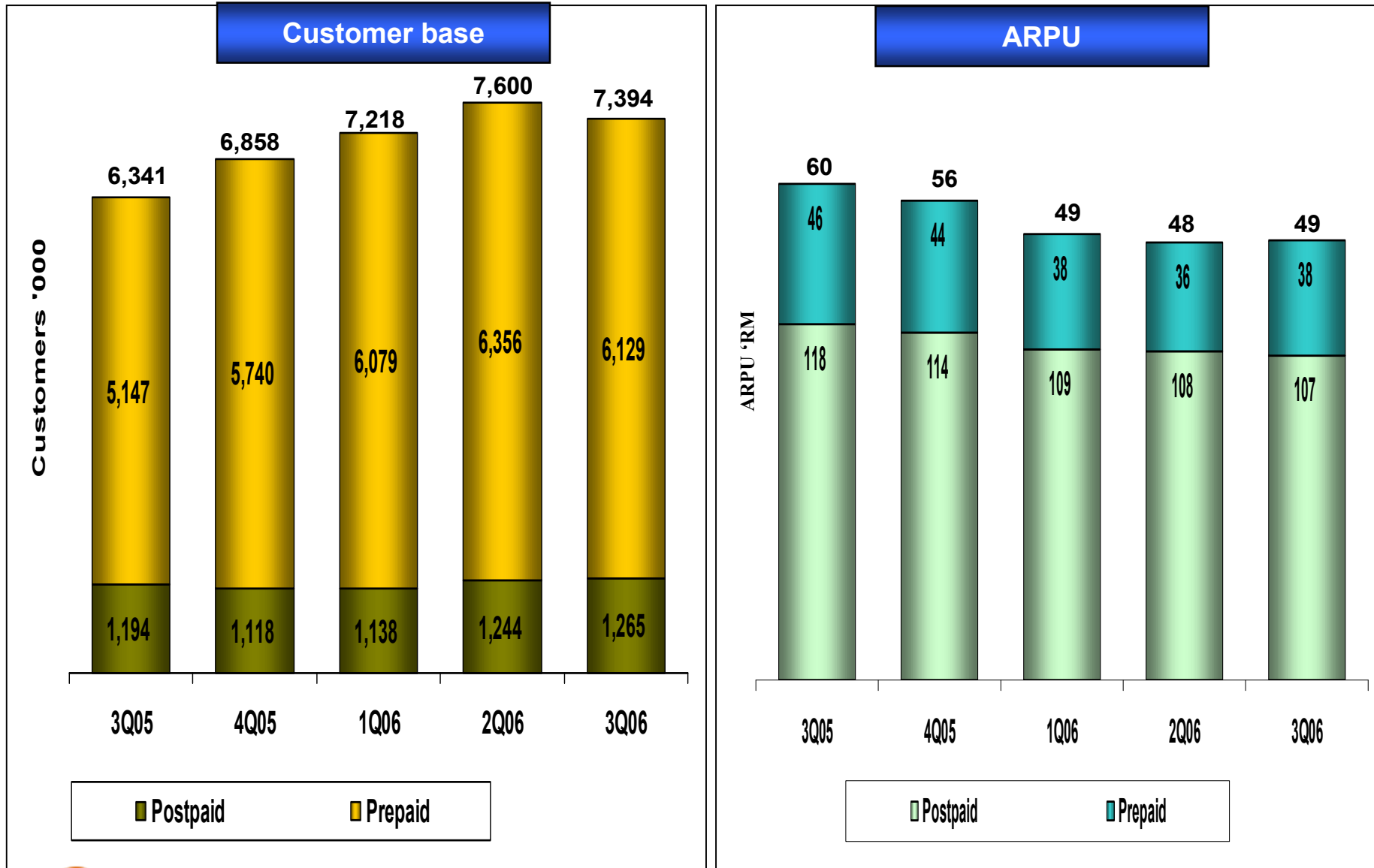


	Sept 2006	Dec 2005	% change
Borrowings	747.9	1,139.0	-34.3%
Shareholder's Funds	3,086.2	2,482.1	24.3%
Cash & Cash Equivalent	1,807.1	2,295.4	-21.3%
Gearing – Gross	24.2%	45.9%	
Gearing – Net	-34.3%	-46.6%	
Current Ratio	0.90	0.84	
NTA per Share (sen)	127.8.	96.9	
EPS (sen)#	34.2	(7.8)	

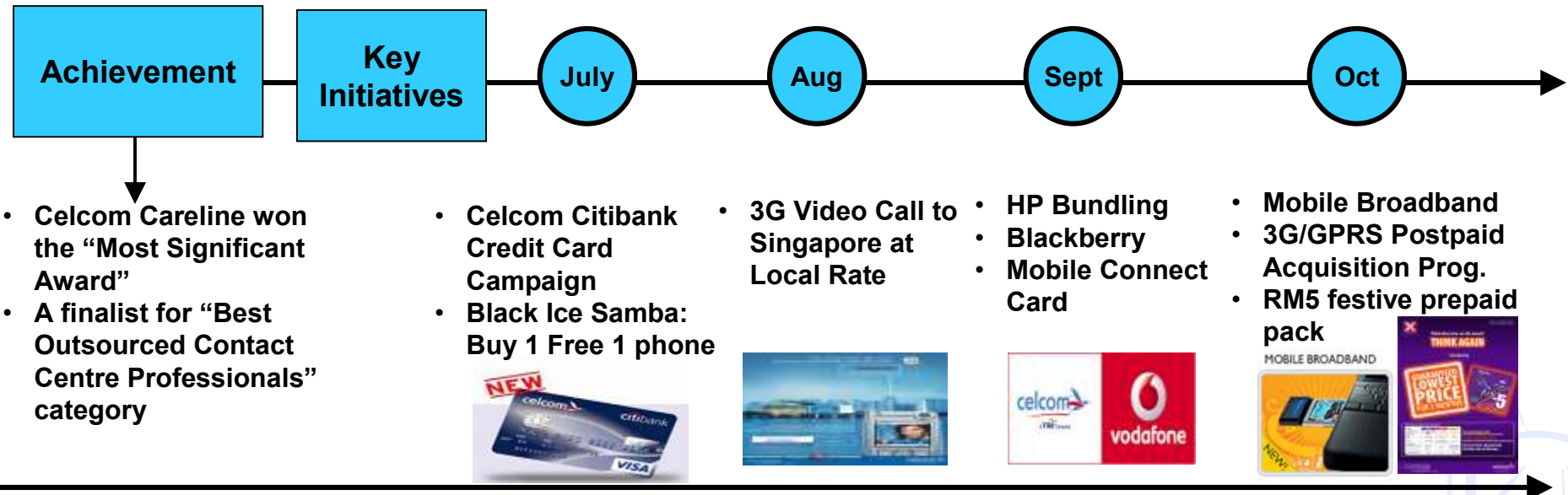
- Improvement in ratios, namely NTA and EPS
- Lower borrowings due to scheduled repayment
- Capital repayment to shareholder of RM700 million by December

•# Annualized
 •All numbers in RM millions, except ratio data

Lower subscriber base as silent subs moving out



Recent Updates



Prepaid Registration

Guaranteed Rewards <ul style="list-style-type: none"> Free airtime (depending on usage) Free SMS (for 8Pax) 	Free GPRS Phones <p>Thousands of phones to be given away</p>	Registration Points <ul style="list-style-type: none"> Celcom / dealers' outlets TM Points Pos Malaysia BHP/Petronas/Shell 	Instant Registration <p>1000 AXIA terminals for instant registration</p>
Telemarketing <p>Calling high end customers</p>		RM1 million Reward Program (TM) <p>Stand a chance to win exciting prizes including a grand prize of RM1 million cash</p>	

Agenda

Group Performance

Celcom Update

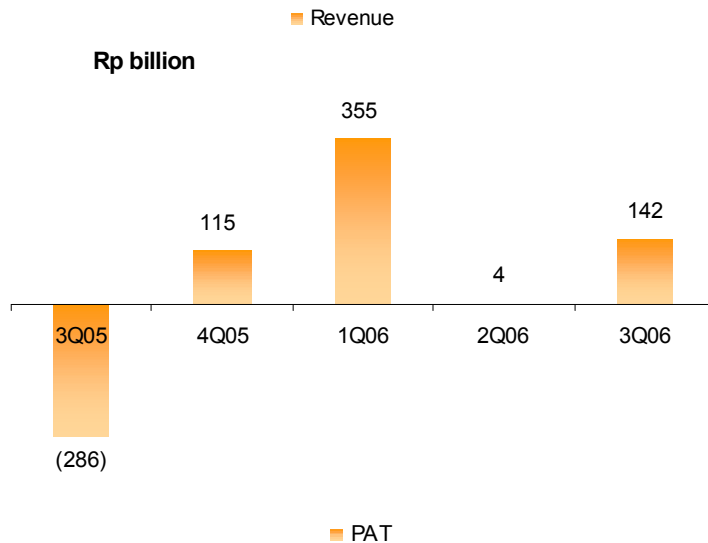
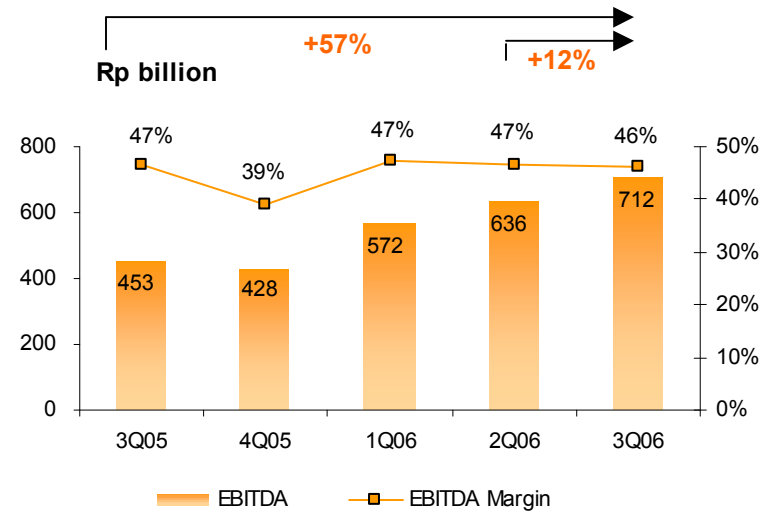
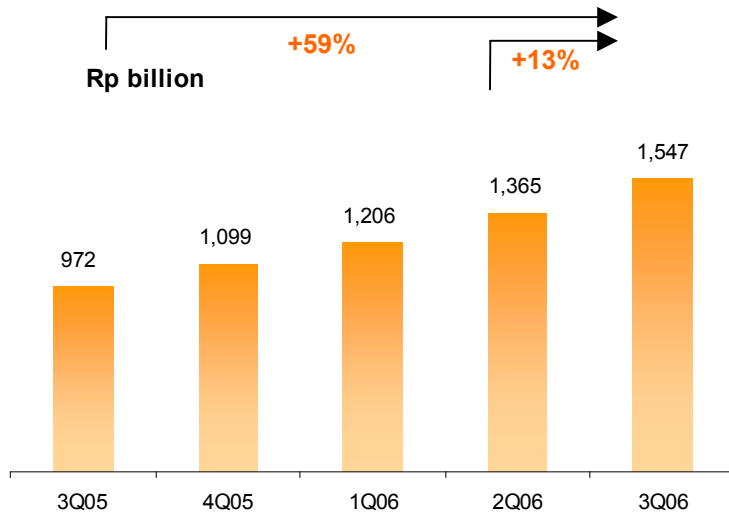
International Operations

Outlook

XL - Financial Highlights

IDR1 : RM0.00040

A TTM Company



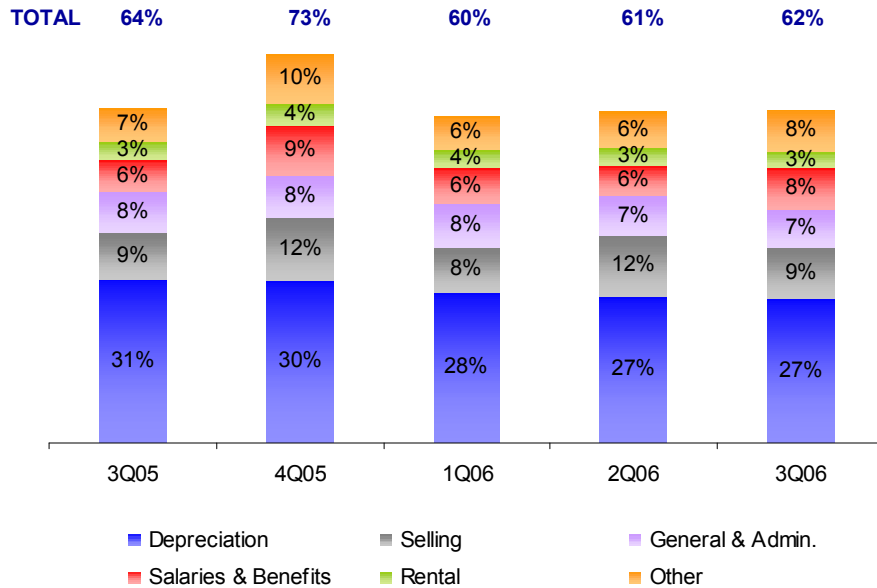
- Q3 2006 revenue was increased by 59% YoY due to increase in subscriber base.
- The impact of prepaid registration to revenue is minimal as most of the subscribers eliminated were inactive subscribers
- PAT increased mostly due to strengthening of Indonesian Rupiah against U.S dollars.

XL - Financial Highlights

IDR1 : RM0.00040



Costs as % of Revenue



- Q3 2006 Selling expense was lower than Q2 2006 due to less A&P activities relative to Q2 2006 -new products/packages such as World Cup, i-Smart, Xplor Power Plan, etc

Balance Sheet

(in Rp billion)

	As at 30 Sept 06	As at 31 Dec 05
Shareholders' Funds	4,130	3,629
Deferred & long Term Liabilities	5,745	3,433
- Long Term Borrowings	5,469	3,401
	<u>9,875</u>	<u>7,062</u>
Fixed Assets	9,712	7,471
Intangible Assets	-	-
Other Assets	939	512
Current Assets	1,198	1,371
- Cash & Bank Balances	499	880
Current Liabilities	1,974	2,292
- Short Term Borrowings	-	688
	<u>9,875</u>	<u>7,062</u>



XL's Debt to EBITDA as of 30 Sept 2006 stood at 2.3x vs. 2.4x at 31 Dec 2005.

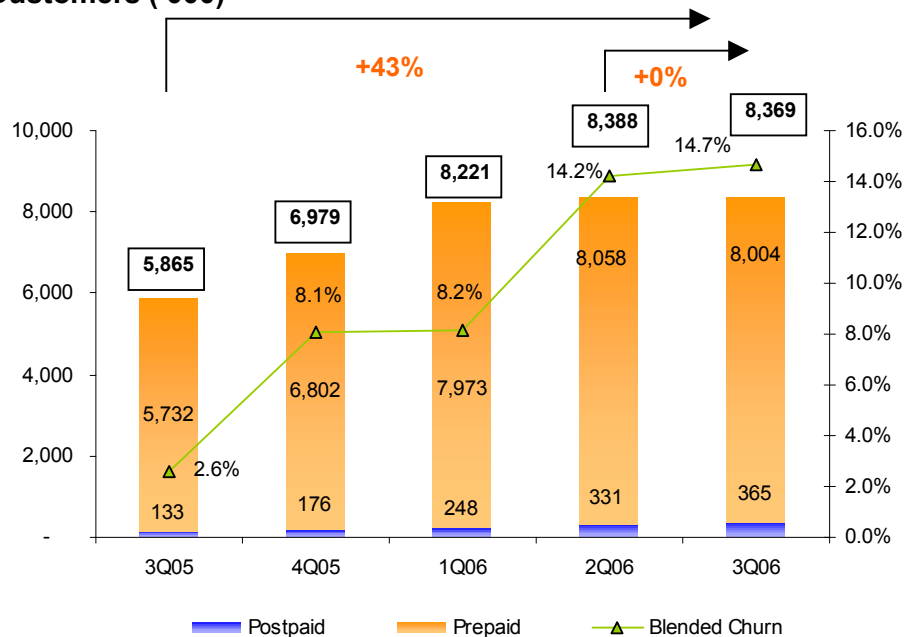
XL - Operational Highlights

IDR1 : RM0.00040



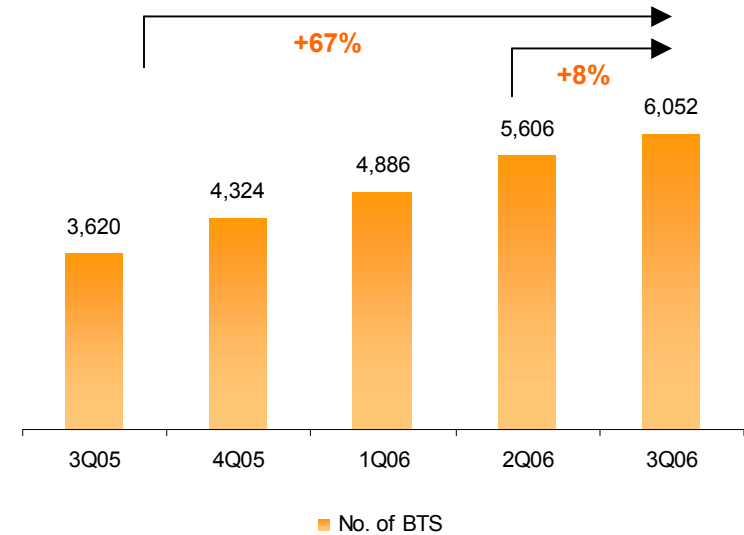
- Q3 2006 subscriber of 8.4 million increased by 43% YoY and relatively stable compared to Q2 2006 subscriber base. The prepaid registration had caused higher prepaid churn rate in Q2 2006 and Q3 2006
- Strong focus on network development with increase in number of BTS to 6,052 at the end of Q3 2006
- Decrease in ARPU was in line with the industry ARPU trends

Customers ('000)

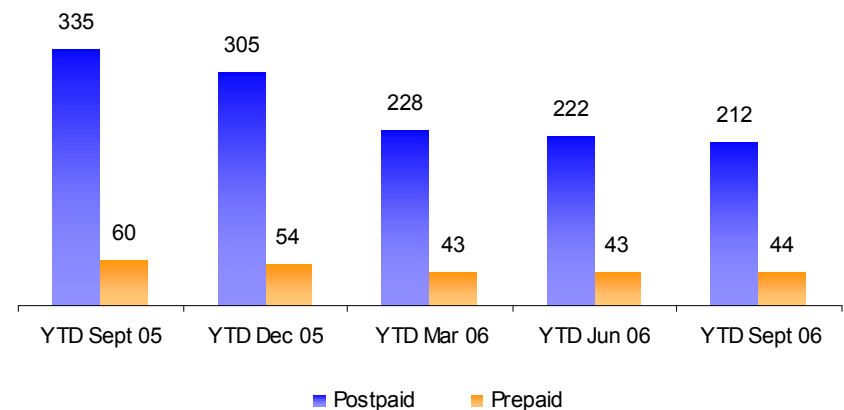


Churn (%)

Prepaid	2.7%	8.3%	8.4%	14.7%	15.1%
Postpaid	0.3%	0.5%	1.3%	2.1%	4.4%



ARPU (Rupiah '000)



Recent Key Initiatives & Developments

A TTM Company



New products & offerings in 3Q 2006:

- **XL 3G services** launched to the customers with motto of “The First Widest and Fastest 3G Provider”
- **XL Vaganza** which offer Rp 10,000 bonus pulse for prepaid subscriber after 2 times reloads (with minimum reload of Rp 10,000 each)
- **Nada Tungguku Jukebox** (Jukebox Ring Back Tone) which enable XL customers to have up to 5 songs to be their ring back tone
- **Tarif Ngirit Sampe 60% - Senin Sampe Jumat** (Economical / off peak tariff up to 60% saving during Monday to Friday) which is applicable for on-net calls during peak hours for **bebas** subscribers to be charged Rp 2,000 for the first 120 seconds and Rp 250 per 30 seconds

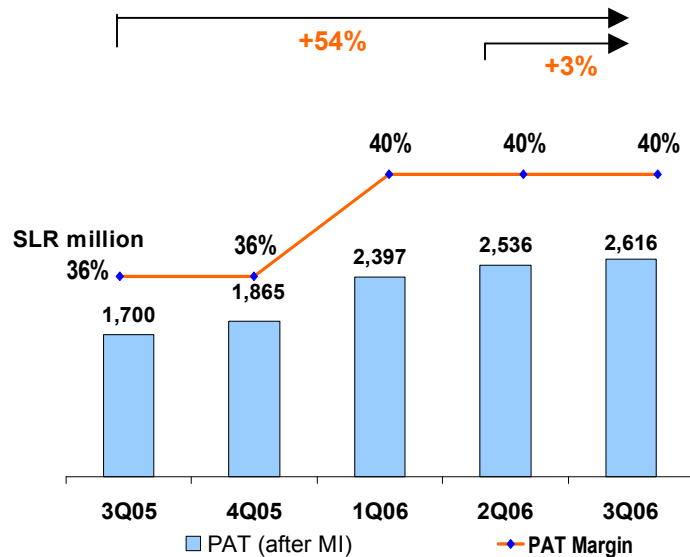
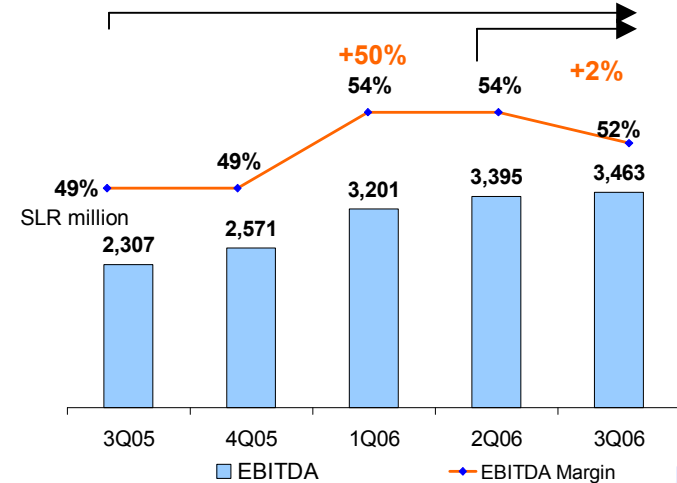
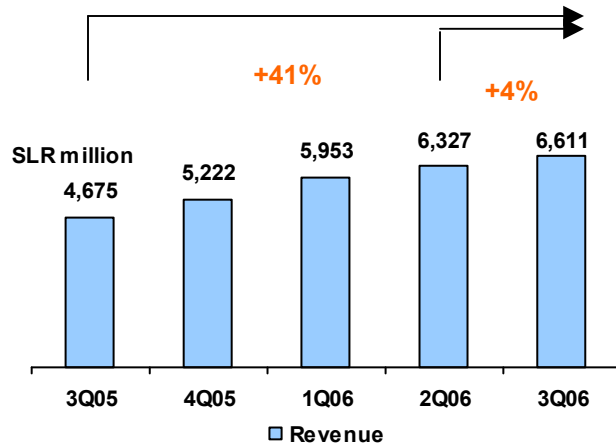
Company’s key developments & initiatives, strategic direction, recent key initiatives in 3Q 2006:

- **Develop new product features**, by launching **XL 3G Service** and “**jimat**” as a separate brand
- **Improve price competitiveness**, by launching economical / off peak tariff up to 60% saving during Monday to Friday and XL Vaganza for additional bonus pulse
- **Increase image and brand awareness in the market**, by continuing the campaign with “XL Life Unlimited” theme
- **Increased number distribution channel**. In Q3 2006 XL has 32,542 XL Kita channel or increased by 8% compared to Q2 2006 with only 30,253 XL Kita
- **Increased number of BTS**. In Q3 2006 XL has 6,052 BTS or increased by 8% compared to Q2 2006 of 5,606 BTS



Dialog - Financial Highlights

SLR1 : RM0.03554



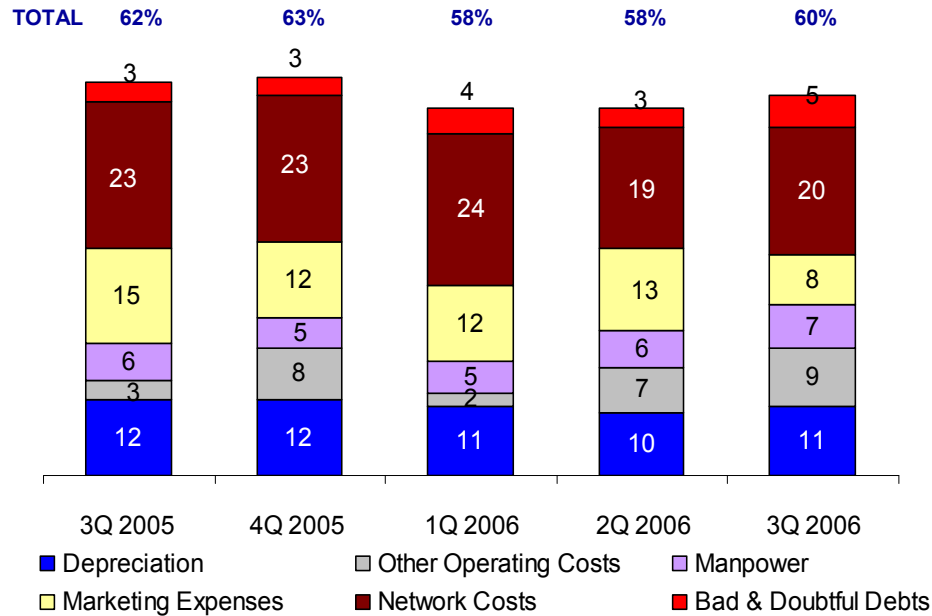
- Steady growth in revenue– 41% increase Y o Y
- PAT and EBITDA margins up 4 and 3 percentage points each in 3Q06 compared to 3Q05.
- The reduction in margins on an immediate QoQ basis is attributable to increase in operating expenses.

Dialog - Financial Highlights

SLR1 : RM0.03554



Costs as % of Revenue



- Increase in software amortisation (SAP user licenses) and incidental expenses.
- Reduction in sales commissions relative to revenue.

Group Balance Sheet

	As at 30 Sep 06	As at 31 Dec 05
	Rs Mn	Rs Mn
Shareholders' Funds	22,381	17,201
Deferred & Long Term Liabilities	137	82
- Long Term Borrowings	6,757	9,049
	<u>29,275</u>	<u>26,332</u>
Fixed Assets	24,646	20,188
Intangible Assets	2,045	1,628
Investment in subsidiary	-	-
Current Assets	7,408	4,691
- Cash & Bank Balances	5,480	6,690
Current Liabilities	(9,230)	(5,250)
- Short Term Borrowings	(1,074)	(1,615)
	<u>29,275</u>	<u>26,332</u>

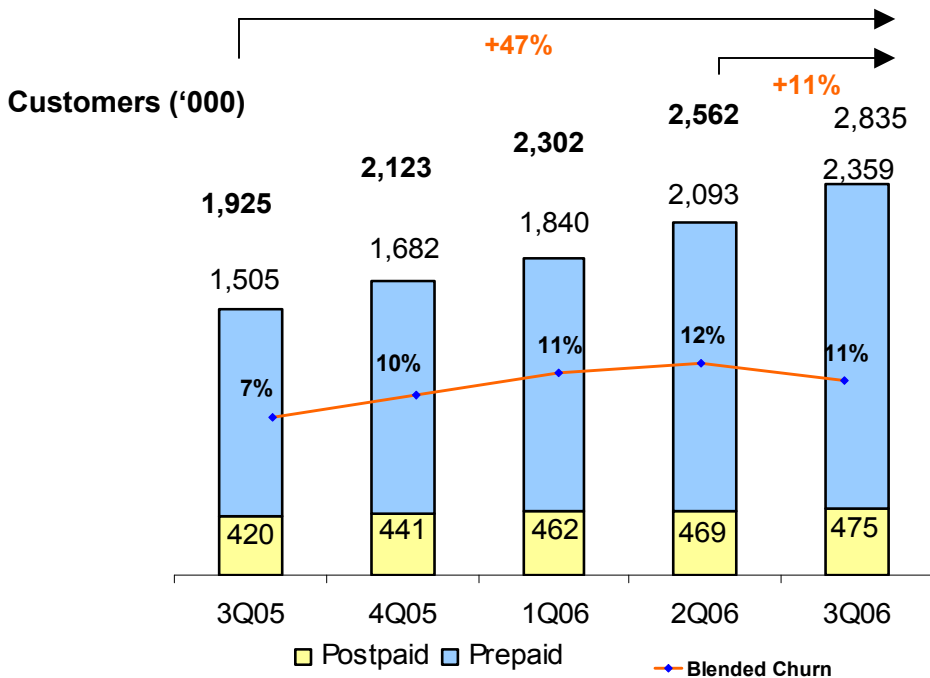


Dialog - Operational Highlights

SLR1 : RM0.03554

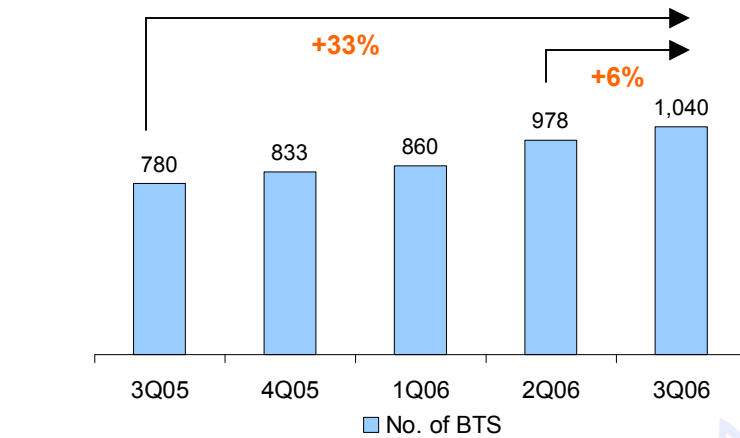


- Market leadership with sustained growth in subscribers (47 per cent YoY)
- Pre/post mix: 83:17
- Coverage and Quality of Service Improvements.
- Postpaid ARPU up 4 per cent in 3Q06 (not withstanding tariff reductions) compared to 3Q05.

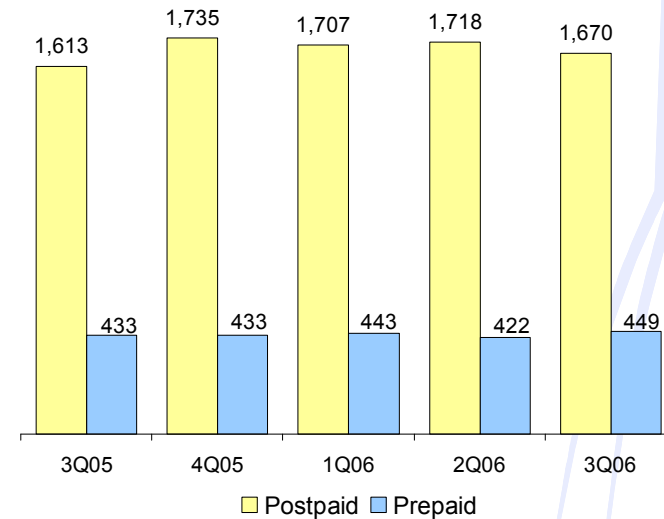


Churn (%)

Prepaid	0.35	0.24	1.83	0.15	0.14
Postpaid	13.84	16.5	9.61	10.35	9.54



ARPU (SLR)



Recent Key Initiatives & Developments

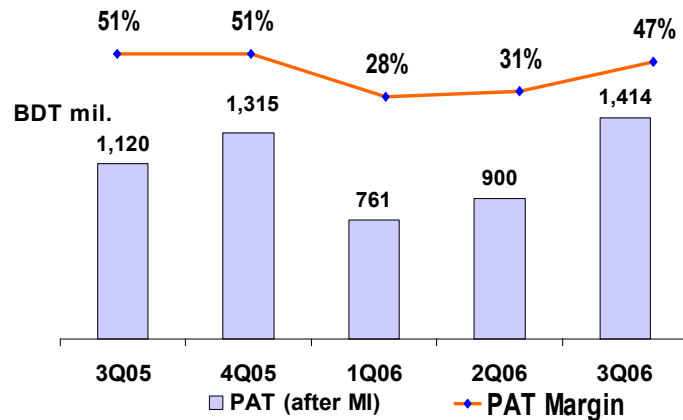
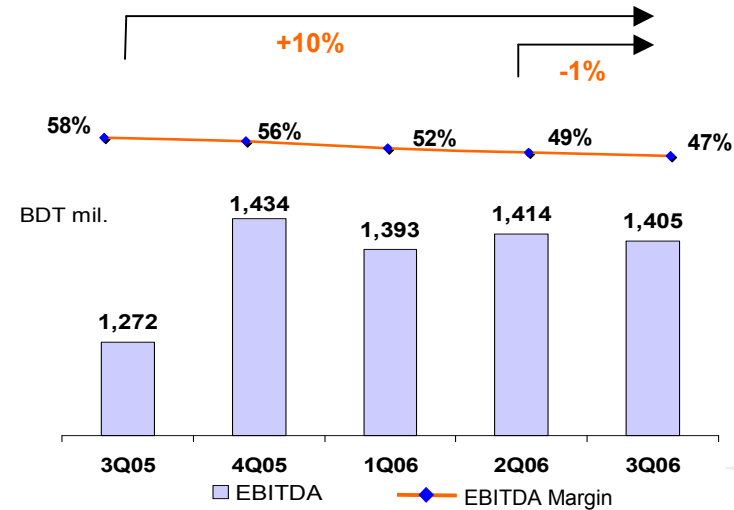
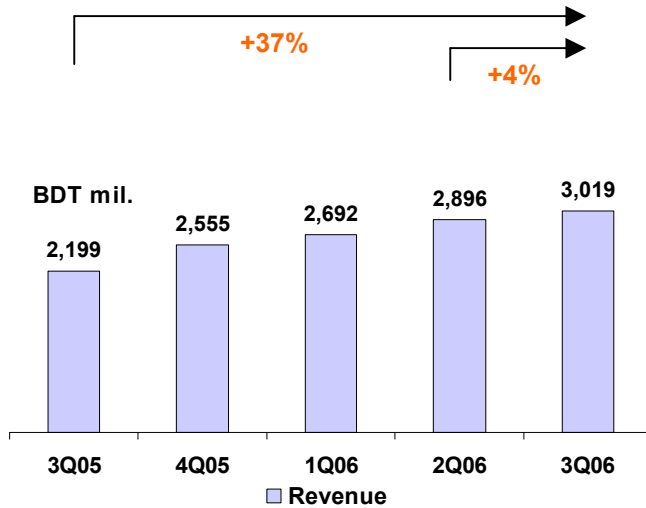


- Introduced **Dialog Plans** for **HNB** credit card holders.
- Payment of **Dialog bill** or reload **KIT** via **sms** with HSBC credit card.
- Payment of **internet bills** online for Sampath Bank credit card holders.
- Introduced **international collect calls** .
- Revised **IDD** rates w.e.f. 3 September 2006.
- Deposit free **IDD** and **AIR** facilities for HSBC Gold and Premier cardholders.
- A **next generation customer center** and mobile arcade was opened in the heart of Colombo city.

TMIB - Financial Highlights

BDT1 : RM0.05666

A TM Company



- Revenue increased 37% (Y on Y) compared to a year ago.
- Positive growth in EBITDA & PAT continues
- PAT level improved due to Tax adjustment for overprovision in earlier quarters

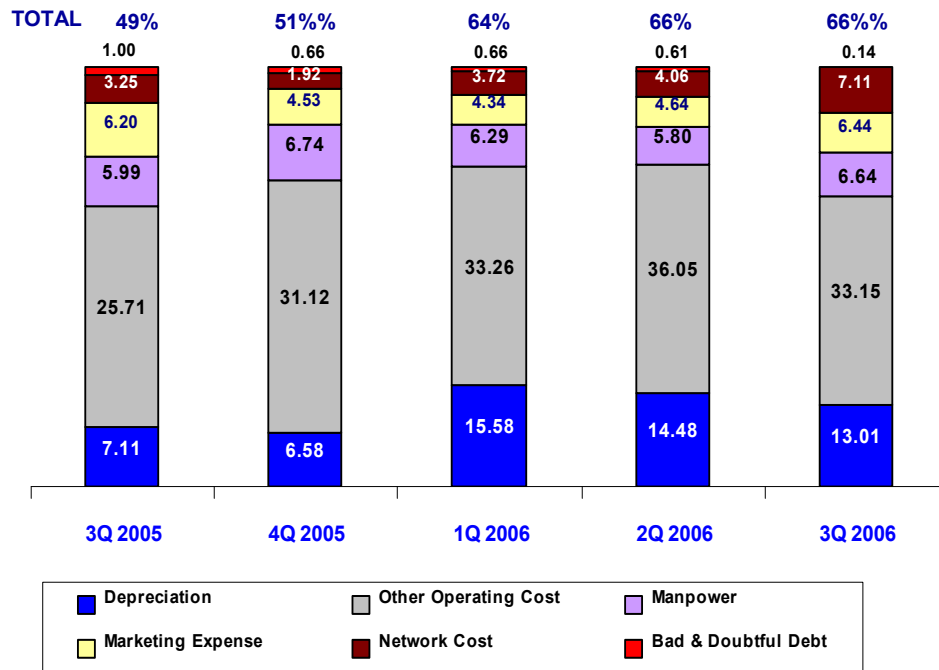
TMIB - Financial Highlights

BDT1 : RM0.05666

ATM Company



Costs as % of Revenue



Balance Sheet

	As at 31 Sep 06	As at 31 Dec 05
Shareholders' Funds	11,407	8,356
Deferred & Long Term Liabilities	13,907	9,588
- Long Term Borrowings	12,354	3,721
	<u>25,314</u>	<u>17,944</u>
Fixed Assets	27,439	19,720
Current Assets	5,900	5,669
- Cash & Bank Balances	3,432	3,295
Current Liabilities	8,025	7,445
- Short Term Borrowings	791	171
	<u>25,314</u>	<u>17,944</u>

- Promotional cost increased as a result of competition,
- Other operating costs contained due to operational efficiency.



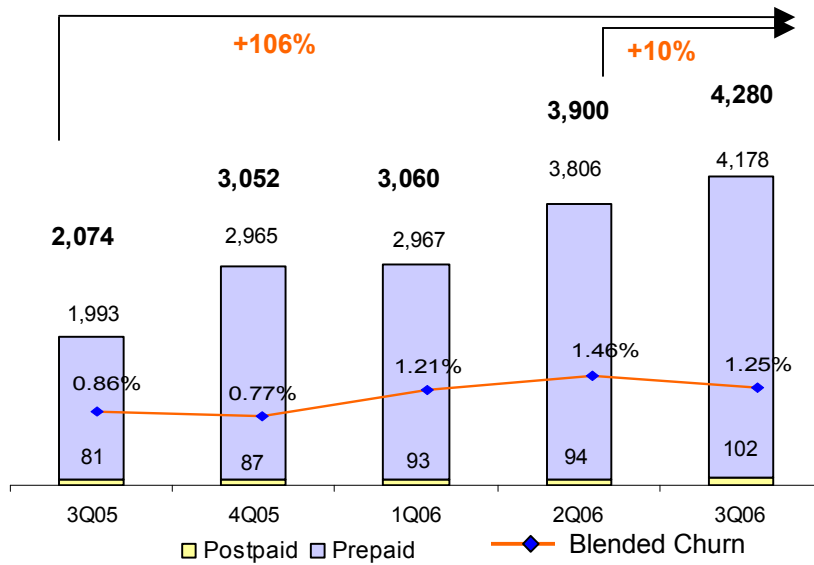
TMIB - Operational Highlights

BDT1 : RM0.05666



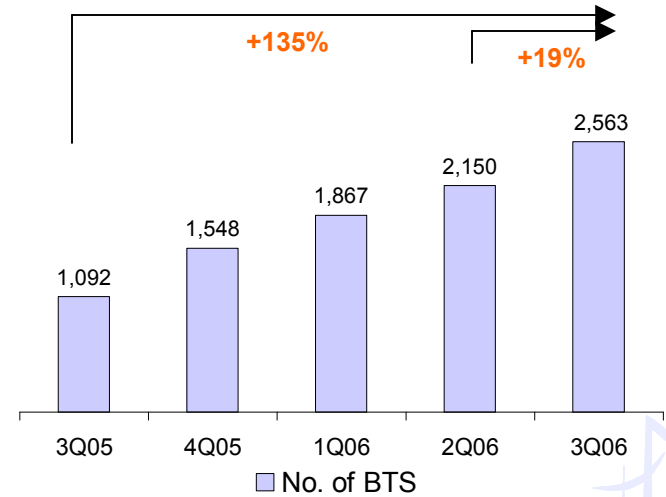
- Substantial customer growth year on Year,
- Commitment to improve capacity & coverage,
- Managing churn & ARPU

Customers ('000)

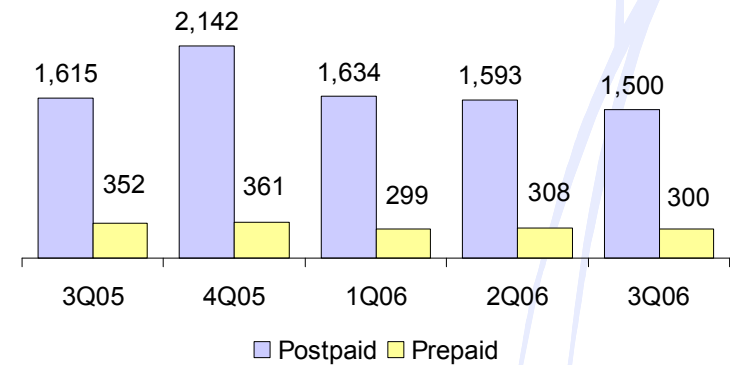


Churn (%)

Prepaid	1.06	1.22	1.79	2.38	2.25
Postpaid	4.56	1.65	1.7	1.45	1.44



ARPU (BDT)



Recent Key Initiatives & Developments

A TM Company



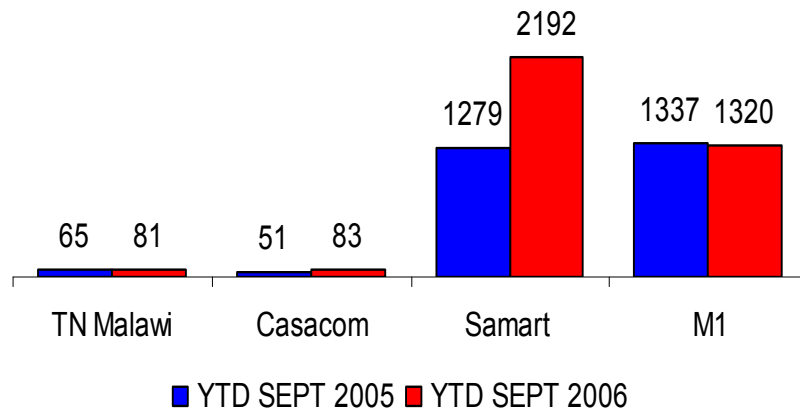
1. **Friends and Family (FnF) promotional campaign**
2. **Re-branding Prepaid 'Regular package' as AKTEL POWER**
3. **Double Validity Period for E-fill and Scratch card**
4. **Expanding roaming coverage through bilateral agreements with 13 countries, or 24 operators**
5. **New VAS –Caller Ringback Tone service**



Other International Operations

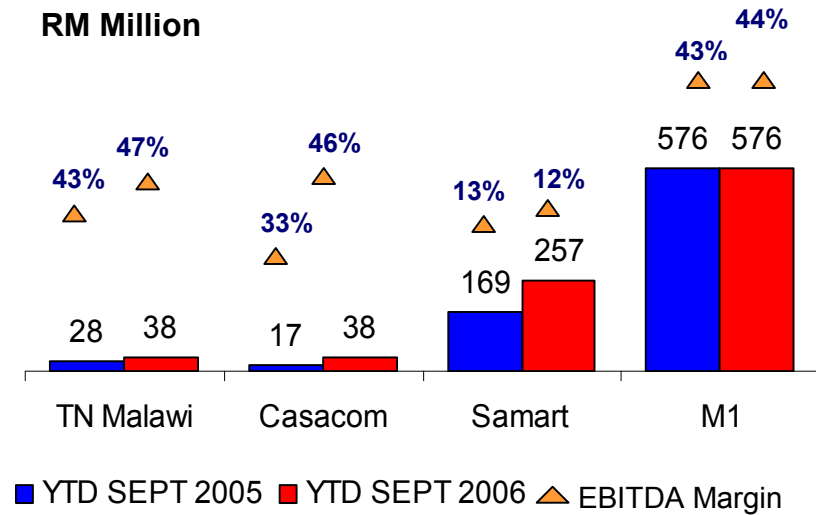
Operating Revenue

RM Million



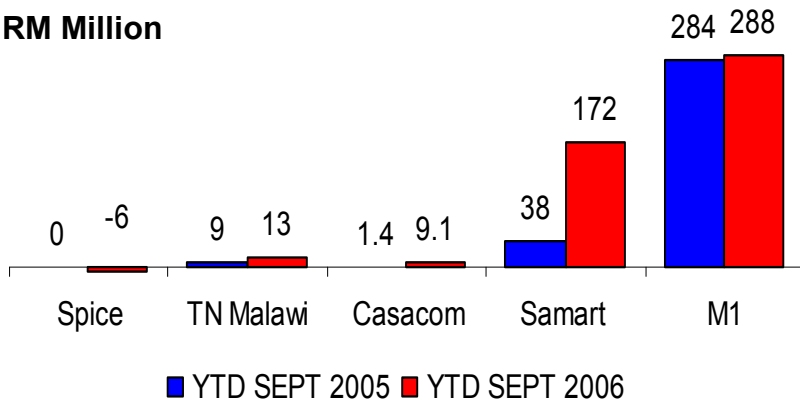
EBITDA

RM Million



PATAMI

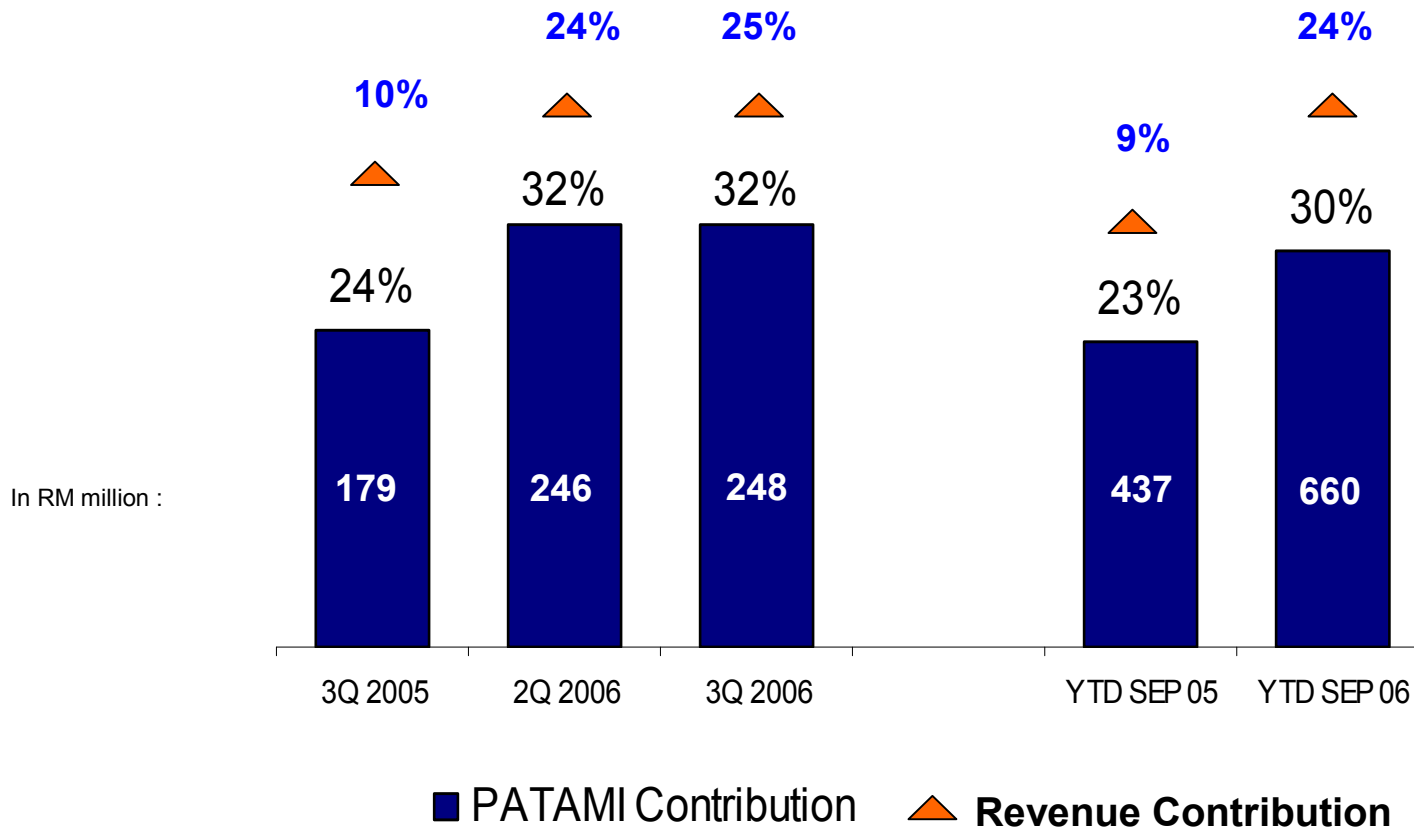
RM Million



- Improved contribution from other international operations

Contribution from International Operations

- Improved contribution by international operations to Group's Revenue and PATAMI



Agenda

Group Performance

Celcom Update

International Operations

Outlook

Outlook

Domestic

- Prepaid registration will see reduction in industry wide penetration rates, however it is not expected to have major impact on revenue.
- Competition in mobile segment to intensify from new and existing players
- Continued efforts to mitigate structural decline of fixed line with strong focus on broadband
- Cost and Capital Management focus

International

- Increased competition in our existing markets
- Focus on execution of strategies and deliverables



Opening Up Possibilities



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