



1Q 2014 Results

27 May 2014

Dato' Sri Jamaludin Ibrahim, President & Group CEO

Chari TVT, Group CFO

Executive Summary:

Encouraging top line performance and solid bottom line growth

- ❖ **Moderate revenue growth partly impacted by strengthening RM against IDR**
 - QoQ growth : Revenue +0.1% ; EBITDA +4.6% ; PATAMI +17.2%
 - YoY growth : Revenue +0.7% ; EBITDA +0.5% ; PATAMI +9.8%

- ❖ **At constant currency, Group recorded strong YoY growth**
 - QoQ growth : Revenue -1.1% ; EBITDA +3.4% ; PATAMI +16.2%
 - YoY growth : Revenue +4.1% ; EBITDA +4.2% ; PATAMI +11.0%

- ❖ **Higher taxation and effective tax rate recorded in 1Q14 (RM285mn, ETR 28.1%) against 1Q13 (RM240mn, ETR 26.3%) and 4Q13 (RM140mn, ETR 19.3%)**
 - 1Q14 higher than 4Q13 as the latter included one-off reversal (RM78mn) due to past overprovisioning
 - 1Q14 higher than 1Q13 due to expiry of last mile tax relief in Celcom



Key Group Highlights (1/2):

1Q 2014: Encouraging double-digit data revenue growth at Celcom and XL



- Reduction in total revenue due to lower device sales and lower USP revenue while service revenue was stable
- Data revenue grew 16% YoY while SMS revenue dropped by 24% during the same period
- YoY Smartphone penetration increased from 24% to 35%
- Effective tax rate was higher due to expiry of last mile benefits



- XL has officially completed the acquisition of Axis on 19 March 2014 followed by closing merger on 8 April 2014
- Revenue increased by 10% YoY, largely driven by data services
- YoY Data & VAS revenue grew 29%. Voice and SMS revenue also increased by 3% and 2% respectively
- Strong positive momentum resulted in YoY EBITDA increased by 9%

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

Key Group Highlights (2/2):

1Q 2014 : Outstanding performance by Robi and Smart



- YoY revenue growth of 7%, data revenue grew 57% while voice revenue grew 7%
- Continuous growth in Pay TV business as subscribers increased to 356k
- Partnership with Etisalat to offer eZ Cash service to combined 12.7 mn subscribers



- Strong YoY growth in revenue and EBITDA of 8% and 14% respectively, despite heightened competition
- >100% growth in data revenue (YoY)



- YoY Revenue for the combined entity grew by 39% while EBITDA and PAT increased more than 100%
- Strong growth in Voice, VAS and Data (23%, 64% and >100% respectively)
- Investments planned in new BSS platform with enhanced capability

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

Group posted strong bottom-line growth (both QoQ and YoY)

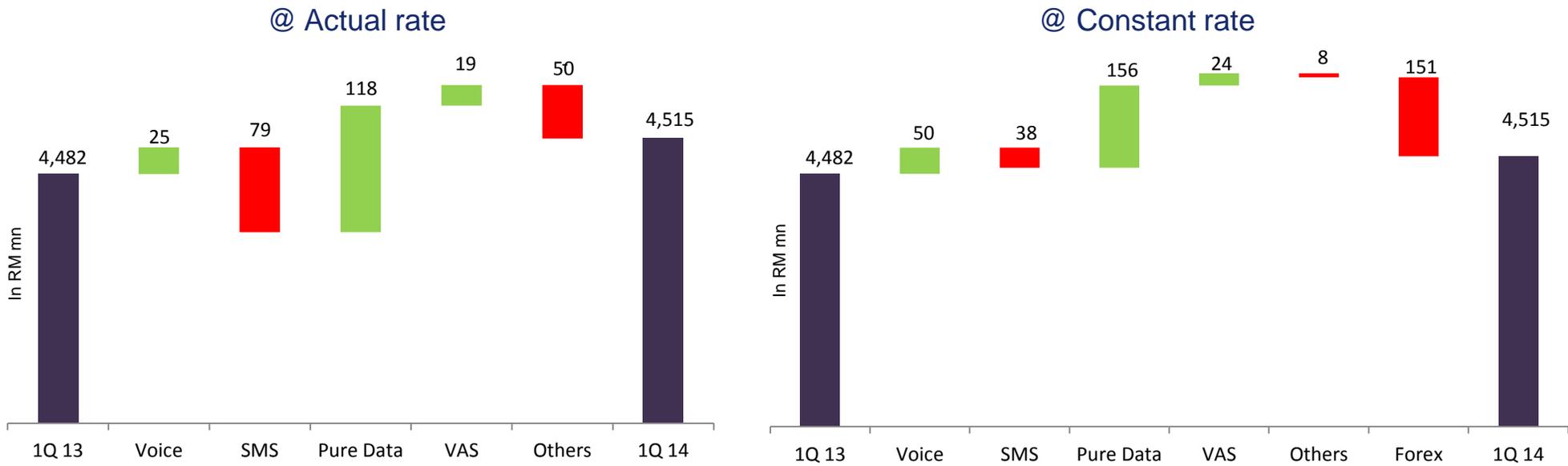
Financial highlights

| <u>RM mn</u> | <u>1Q14</u> | <u>QoQ growth</u> | <u>YoY growth</u> | <u>QoQ growth (constant currency)</u> | <u>YoY growth (constant currency)</u> |
|---------------------------|-------------|-------------------|-------------------|---------------------------------------|---------------------------------------|
| Revenue | 4,515 | 0.1% | 0.7% | -1.1% | 4.1% |
| EBITDA | 1,789 | 4.6% | 0.5% | 3.4% | 4.2% |
| EBITDA margin % | 39.6% | 1.7pp | -0.1pp | 1.7pp | 0.0pp |
| PAT | 730 | 24.5% | 8.1% | 23.4% | 9.8% |
| Normalised PAT | 661 | 7.5% | -7.9% | 6.6% | -7.3% |
| PATAMI | 675 | 17.2% | 9.8% | 16.2% | 11.0% |
| Normalised PATAMI | 624 | 7.2% | -5.0% | 6.3% | -4.6% |
| ROIC % | 10.1% | - | -0.6pp | - | 10.2% |
| ROCE % | 8.5% | - | -0.1pp | - | 8.5% |
| Capex | 1,035 | -26.2% | 16.8% | | |
| <i>% of revenue</i> | 22.9% | | | | |
| Operating Free Cash Flow* | 335 | >100% | -40.4% | | |
| <i>% of revenue</i> | 7.4% | | | | |

*OFCF= EBITDA- Capex- Net Interest-Tax

Note: Group normalised items as per slide #23

Strong data growth in all OpCos



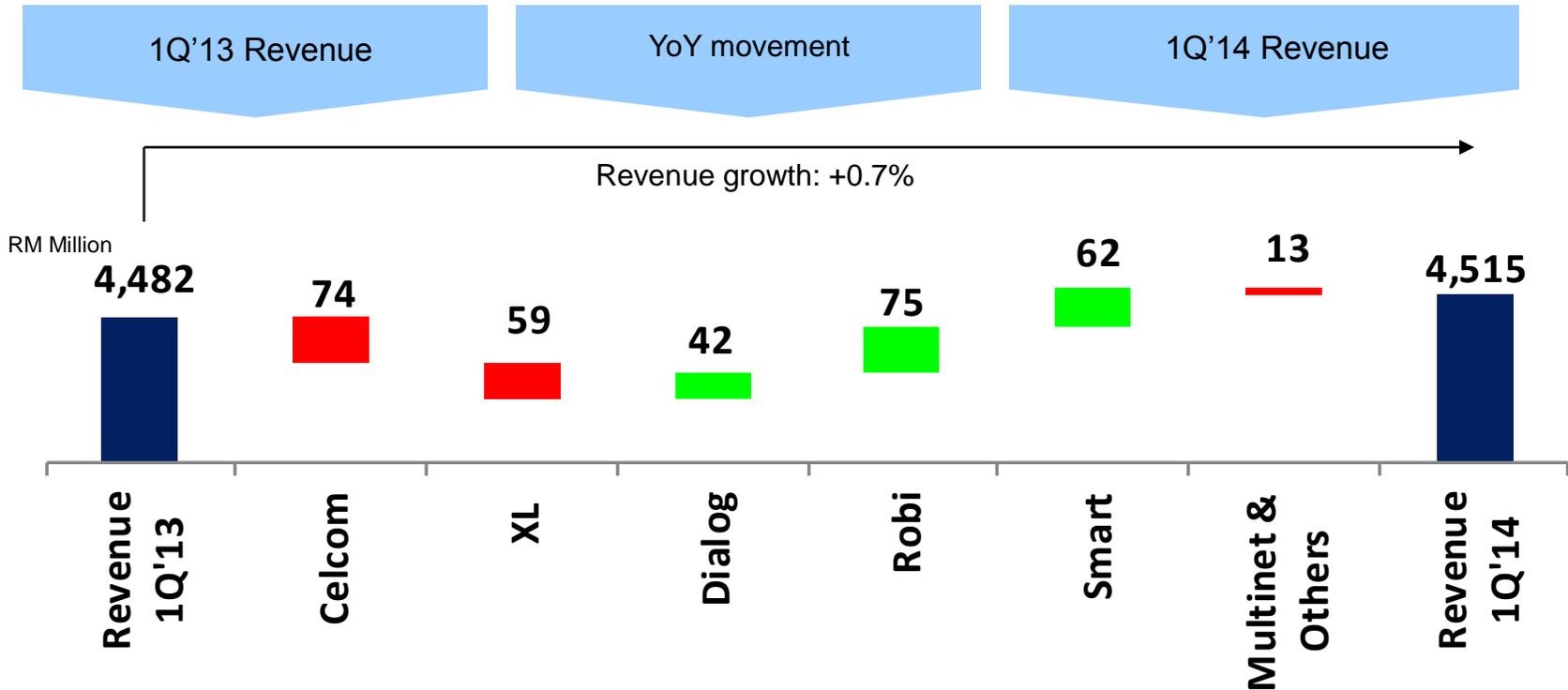
- Voice revenue declined marginally at Celcom, however it has been compensated by growth at Dialog, Robi and Smart
- SMS business in Malaysia and Indonesia have structural industry wide headwinds
- Data revenue has shown strong growth in all markets driven by increasing smartphone penetration and data usage



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 Revenue : YoY 1Q'13→1Q'14

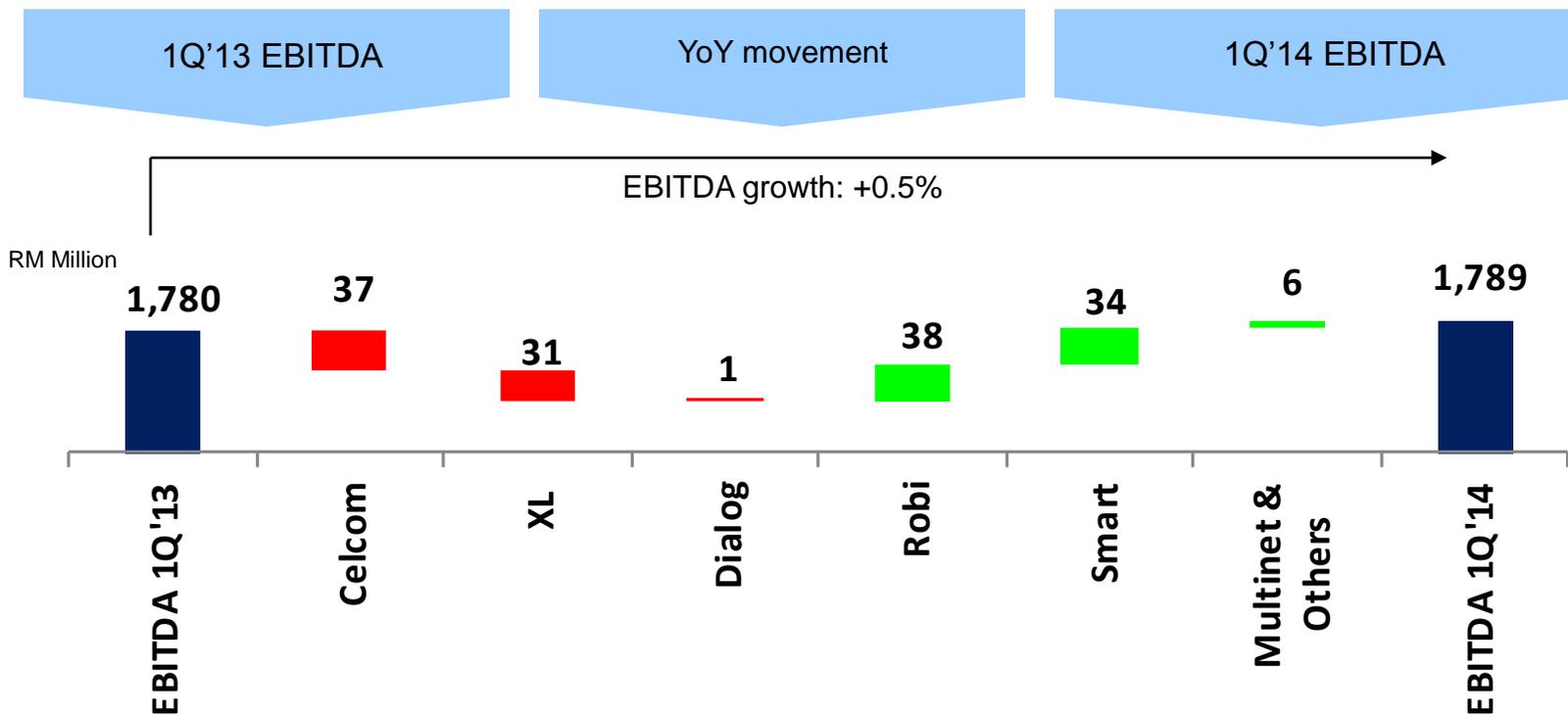
Growth momentum maintained in a seasonally challenging quarter



| | Revenue | 1Q'13 | YoY Growth Rates | Revenue | 1Q'14 |
|-------------------|---------|--------------|--------------------|-------------------|--------------|
| Celcom | | 1,979 | (-74) -3.8% | Celcom | 1,905 |
| XL | | 1,597 | (-59) -3.7% | XL | 1,538 |
| Dialog | | 370 | (+42) +11.2% | Dialog | 412 |
| Robi | | 421 | (+75) +17.7% | Robi | 496 |
| Smart | | 70 | (+62) +88.1% | Smart | 132 |
| Multinet & Others | | 45 | (-13) -25.4% | Multinet & Others | 32 |
| GROUP | | 4,482 | (+33) +0.7% | GROUP | 4,515 |

Group EBITDA : YoY 1Q'13→1Q'14

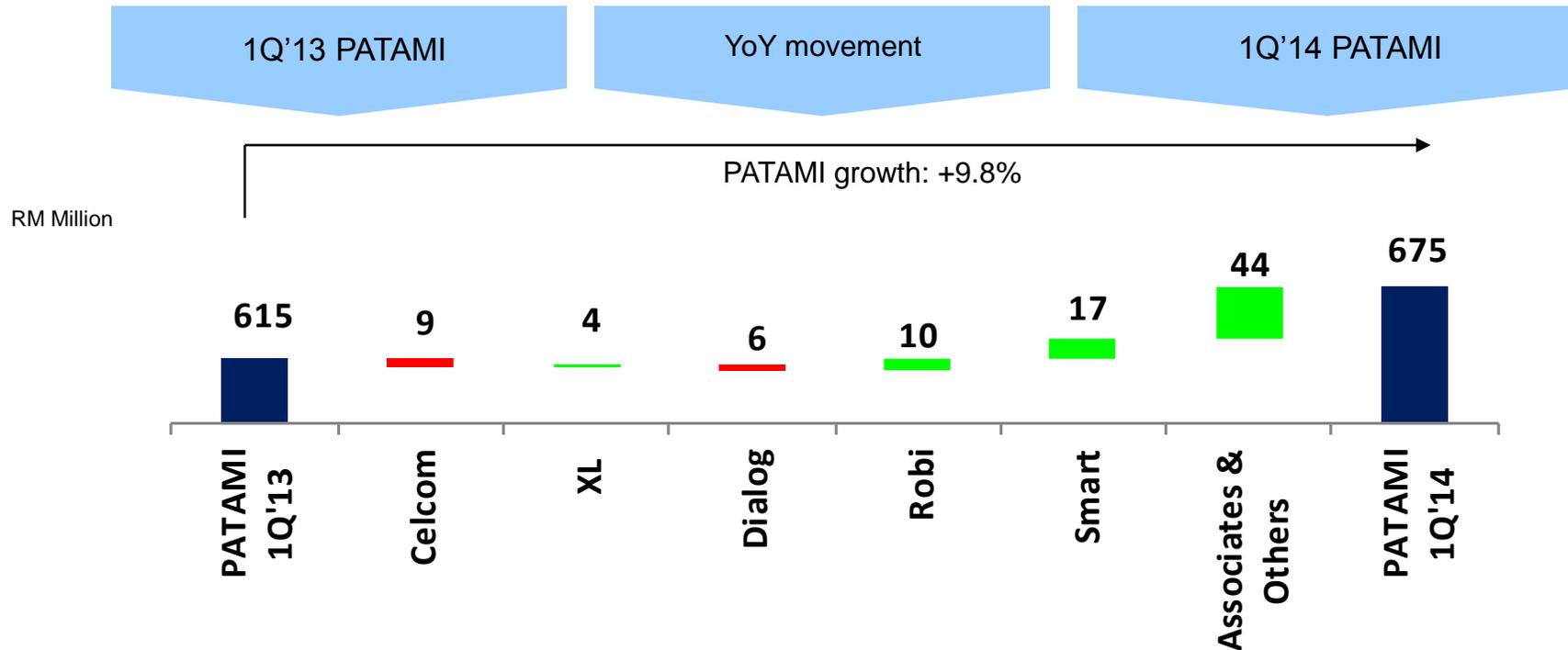
EBITDA growth tracks revenue



| | EBITDA | 1Q'13 | YoY Growth Rates | EBITDA | 1Q'14 |
|-------------------|--------------|-------------|------------------|-------------------|--------------|
| Celcom | 852 | (-37) | -4.3% | Celcom | 815 |
| XL | 667 | (-31) | -4.7% | XL | 636 |
| Dialog | 119 | (-0.6) | -0.5% | Dialog | 119 |
| Robi | 155 | (+38) | +24.7% | Robi | 193 |
| Smart | 20 | (+34) | +174.4% | Smart | 54 |
| Multinet & Others | (33) | (+6) | +16.8% | Multinet & Others | (28) |
| GROUP | 1,780 | (+9) | +0.5% | GROUP | 1,789 |

Group PATAMI : YoY 1Q'13→1Q'14

Strong PATAMI increase despite higher effective tax rate – Robi, Smart & Idea being the primary contributors



| PATAMI | 1Q'13 | YoY Growth Rates | PATAMI | 1Q'14 |
|---------------------|------------|--------------------|---------------------|------------|
| Celcom | 467 | (-9) -1.8% | Celcom | 458 |
| XL | 66 | (+4) +6.3% | XL | 70 |
| Dialog | 33 | (-6) -19.4% | Dialog | 27 |
| Robi | 31 | (+10) +31.4% | Robi | 41 |
| Smart | 4 | (+17) +408.9% | Smart | 21 |
| Associates & Others | 14 | (+44) +314.3% | Associates & Others | 58 |
| GROUP | 615 | (+60) +9.8% | GROUP | 675 |



Data continues to provide strong growth momentum, voice & SMS still >70% of service revenue

| RM mn | 1Q 13* | 1Q 14 | 1Q 13 vs 1Q 14 |
|------------------------------|--------------|--------------|-----------------|
| Voice | 2,332 | 2,358 | + 1.1% |
| % of Service revenue | 62.0% | 61.3% | - 0.7 pp |
| SMS | 560 | 482 | -14.0% |
| % of Service revenue | 14.9% | 12.5% | - 2.4 pp |
| VAS | 238 | 257 | + 8.1% |
| % of Service revenue | 6.3% | 6.7% | + 0.4 pp |
| Data | 629 | 747 | + 18.7% |
| % of Service revenue | 16.7% | 19.4% | + 2.7 pp |
| Total Service revenue | 3,760 | 3,844 | + 2.2% |
| Others** | 722 | 671 | -7.1% |
| % of Total Revenue | 16.1% | 14.9% | - 1.2 pp |
| Total Revenue | 4,482 | 4,515 | + 0.7% |

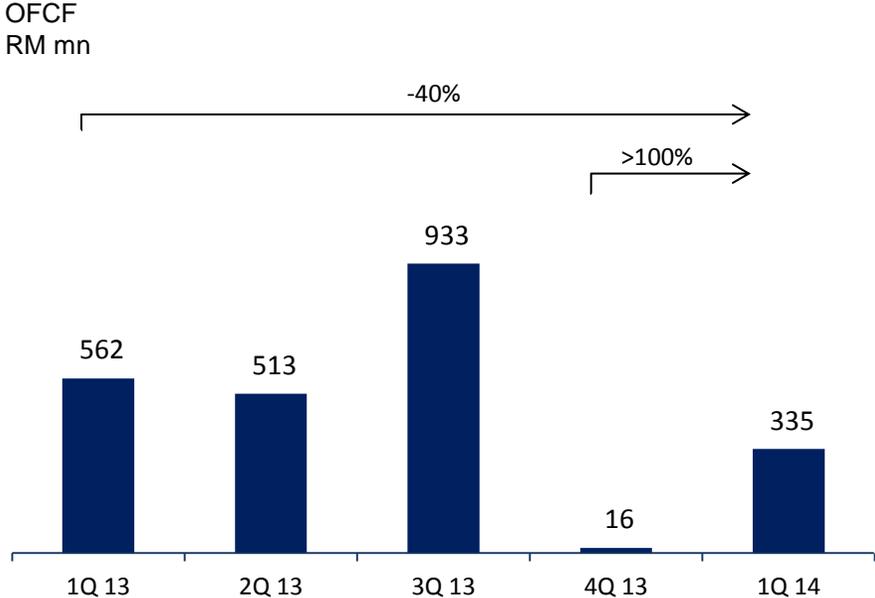
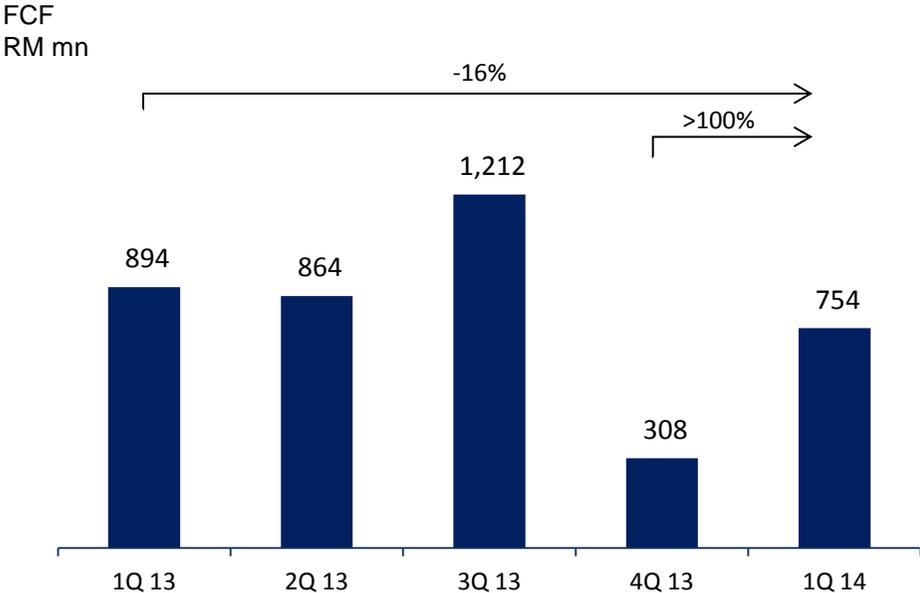
Data revenue has grown 19% YoY, driving the “core mobile service” revenue increase by 2% YoY.

Note:

* Revenue reclassified by Smart

**Others include OpCo’s other revenue (including interconnect & roaming revenue at XL)

Capex spend inline with plan for the current quarter



| Capex (RM mn) | 1Q 2013 | 1Q 2014 |
|-----------------|------------|--------------|
| Celcom | 176 | 140 |
| XL | 571 | 554 |
| Dialog | 94 | 70 |
| Robi | 37 | 214 |
| Smart | 4 | 40 |
| Others | 4 | 16 |
| Total | 886 | 1,035 |

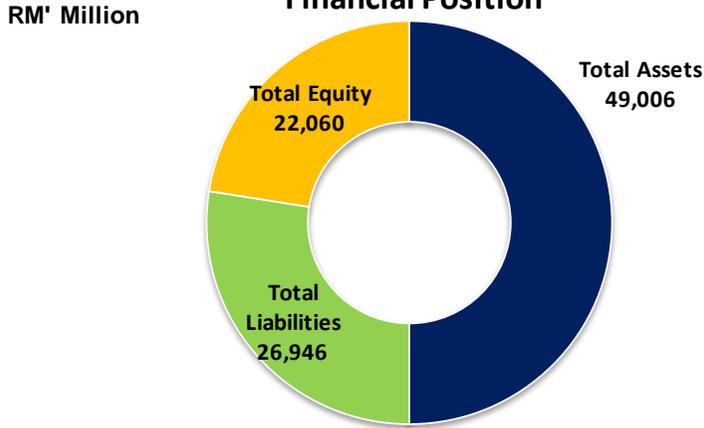
Note: Numbers may not add up due to rounding
 FCF=EBITDA-Capex
 OFCF= EBITDA- Capex- Net Interest-Tax



Group Statements of Financial Position

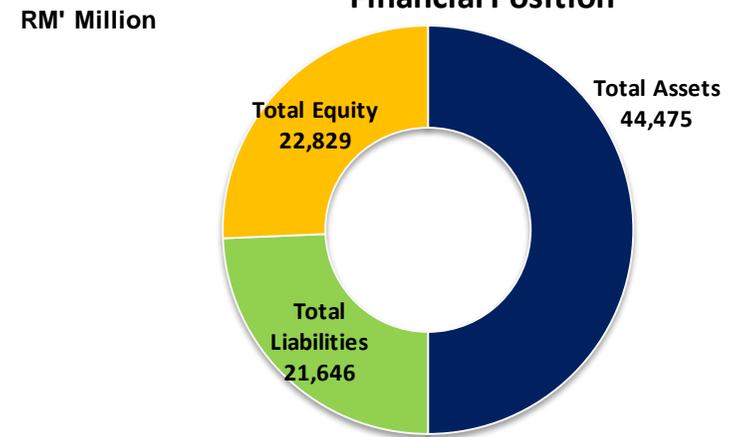
Group assets and liabilities reflect Axis acquisition

As at ended Mar'2014 Group Statements of Financial Position



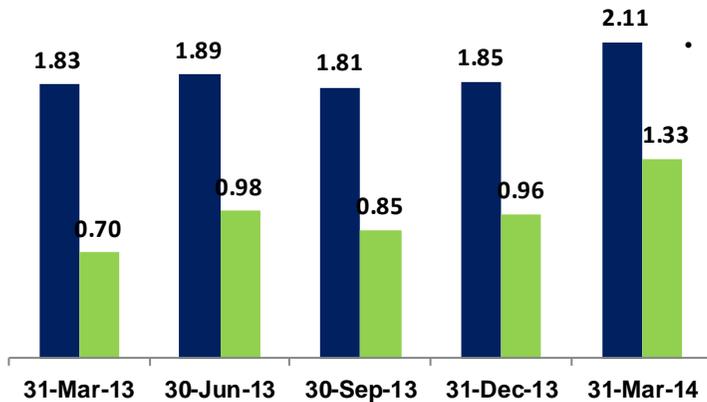
○ Credit rating remained unchanged for the Group is Baa2 (Moody's) and BBB+ (S&P).

As at ended Mar'2013 Group Statements of Financial Position



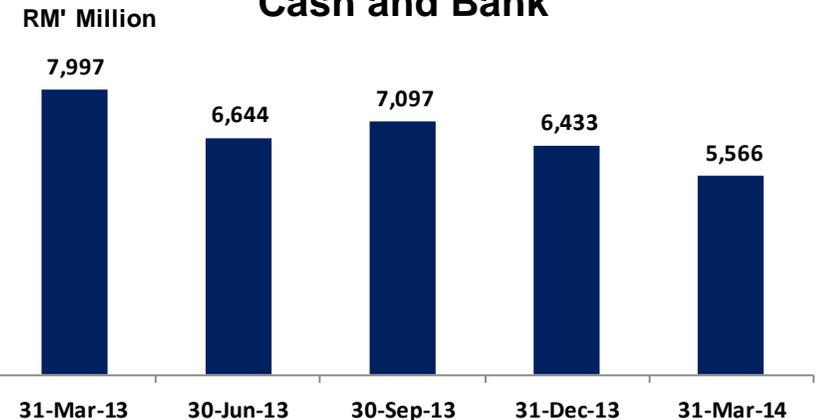
- Cash & bank decreased by RM867mn (-13.5%) QoQ mainly due to XL on payment for acquisition of Axis.
- Free Cash Flow (FCF) is RM0.8bn and Operating Free Cash Flow (OFCF) is RM0.3bn.

■ Gross debt to EBITDA ■ Net debt to EBITDA



• QoQ Net Debt to EBITDA increased to 1.3x from 1.0x mainly due to higher debt and lower cash balance.

Cash and Bank



| | FY2014 Headline KPIs* | Guidance |
|----------------|-----------------------|-------------------|
| Revenue growth | 10.1% | High single digit |
| EBITDA growth | 1.8% | In-line |
| ROIC (%) | 9.3% | In-line |
| ROCE (%) | 7.8% | In-line |
| Capex** | RM4.4bn | RM4.4bn |

**The above Headline KPIs are based on 2013 average forex rates for the respective currencies. However, based on Jan'14 average forex rates these Headlines KPIs are estimated to be Revenue 6.9%, EBITDA -1.0%, ROIC 9.0% and ROCE 7.5%*

*** Capex is not a Headline KPI.*

Appendix



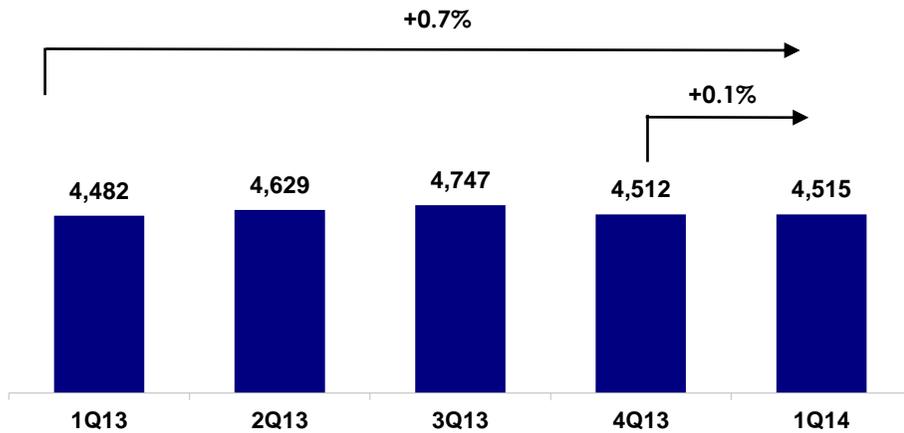
| | Q o Q Performance | | | YoY Performance | | |
|--------|-------------------|--------|-----------------------------|-----------------|---------|-----------------------------|
| | Revenue | EBITDA | Normalised PAT ¹ | Revenue | EBITDA | Normalised PAT ¹ |
| Group | ↑ 0.1% | ↑ 5% | ↑ 7% | ↑ 1% | ↑ 1% | ↓ 5% |
| Celcom | ↓ 5% | ↓ 9% | ↓ 22% | ↓ 4% | ↓ 8% | ↑ 0.2% |
| XL | ↑ 1% | ↓ 2% | ↓ >100% | ↑ 10% | ↑ 9% | ↓ >100% |
| Dialog | ↑ 0.2% | ↑ 1% | ↑ 14% | ↑ 7% | ↓ 6% | ↓ 20% |
| Robi | ↑ 6% | ↑ 59% | ↑ >100% | ↑ 8% | ↑ 14% | ↓ 8% |
| Smart | ↑ 7% | ↑ 2% | ↑ >100% | ↑ 39% | ↑ >100% | ↑ >100% |

Note:

- Growth number based on results in local currency in respective operating markets
- 1. Group and Celcom: PATAMI and others: PAT. PAT/PATAMI normalized as per appendix
- 2. Smart based on proforma reported numbers



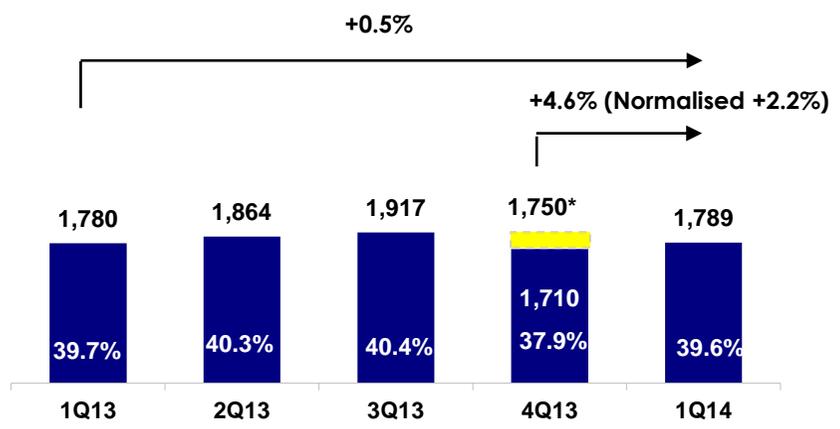
Revenue (RM mn)



- Revenue growth QoQ increased marginally driven by higher revenue at XL & Robi offset by lower revenue at Celcom, primarily due to lower sales of devices
- At constant currency:
 - QoQ – revenue would decline by -1.1% (vs +0.1%)
 - YoY – revenue growth would have been higher at +4.1% (vs +0.7%)



EBITDA (RM mn) & Margin (%)



- EBITDA YoY increase mainly at Robi & Smart
- At constant currency:
 - QoQ – EBITDA increased would have been lower at +3.4% (vs +4.6%)
 - YoY – EBITDA increased would have been higher at +4.2% (vs +0.5%)

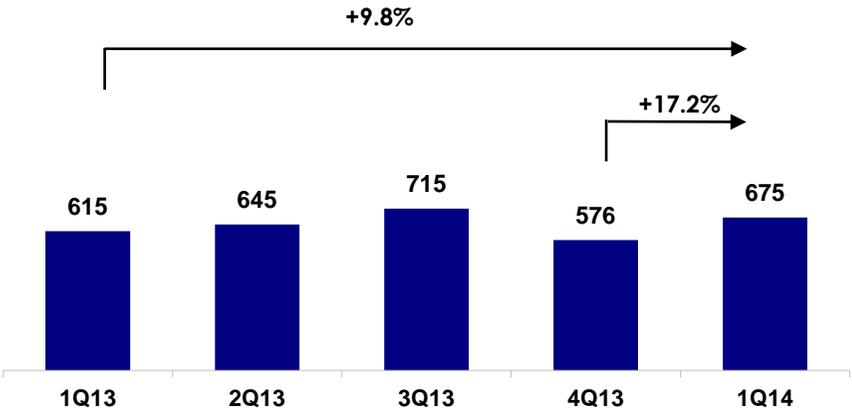
*Normalised for Robi physical count loss and AR provision



Group Financial Performance

Strong QoQ and YoY PATAMI growth

PATAMI (RM mn)



- Group PATAMI increased by 17.2% QoQ mainly contributed by XL and Robi
- At constant currency:
 - QoQ – PATAMI increased would have been lower at +16.2% (vs +17.2%)
 - YoY – PATAMI increased would have been higher at +11.0% (vs +9.8%)



IDR starting to stabilize in 1Q14 against RM and USD

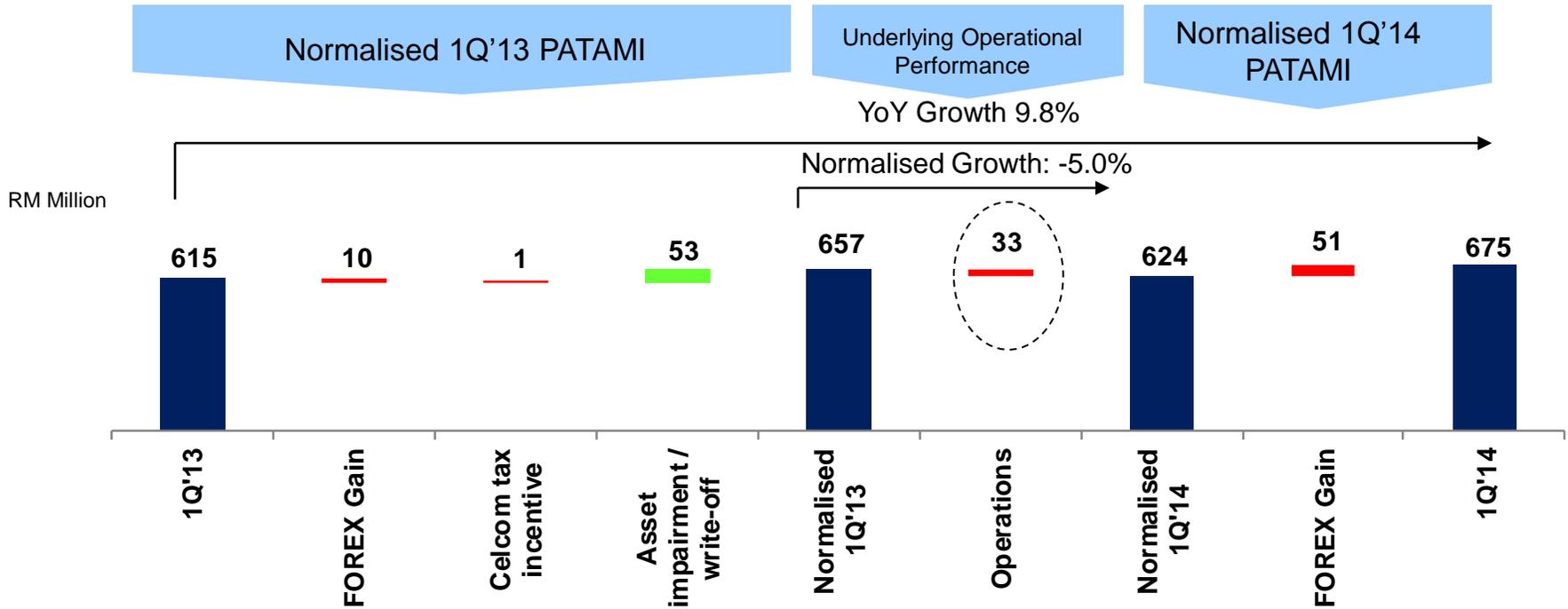
| | OpCo Currency Vs RM, USD – Average 1Q'14 vs 4Q'13 (QoQ) | | OpCo Currency Vs RM, USD – Average 1Q'14 vs 1Q'13 (YoY) | |
|-----------------------|---|--------|---|---------|
| | Indonesia Rupiah, IDR | +1.09% | -1.66% | -12.58% |
| Sri Lanka Rupee, LKR | +3.04% | +0.24% | +3.77% | -3.06% |
| Bangladesh Taka, BDT | +2.76% | -0.04% | +8.81% | +1.64% |
| US Dollar, USD | +2.80% | +0.00% | +7.05% | +0.00% |
| Singapore Dollar, SGD | +1.27% | -1.48% | +4.35% | -2.52% |
| Pakistan Rupee, PKR | +6.12% | +3.24% | +1.17% | -5.49% |
| Indian Rupee, INR | +3.18% | +0.37% | -6.21% | -12.38% |
| Malaysia Ringgit, RM | +0.00% | -2.80% | +0.00% | -7.05% |

Impact to translated RM revenue is -3.4pp YoY and +1.2pp QoQ



Normalised Group PATAMI : YoY 1Q'13 → 1Q'14

Celcom and XL face operational challenges



| Norm PATAMI | 1Q'13 | YoY Growth Rates | Norm PATAMI | 1Q'14 |
|---------------------|------------|--------------------|---------------------|------------|
| Celcom | 519 | (-64) -12.3% | Celcom | 455 |
| XL | 71 | (-35) -49.3% | XL | 36 |
| Dialog | 34 | (-12) -35.3% | Dialog | 22 |
| Robi | 25 | (+15) +60.0% | Robi | 40 |
| Smart | 4 | (+17) +425.0% | Smart | 21 |
| Associates & Others | 4 | (+46) +1150.0% | Associates & Others | 50 |
| GROUP | 657 | (-33) -5.0% | GROUP | 624 |

OPERATIONAL CONTRIBUTION DECREASED BY RM33MN



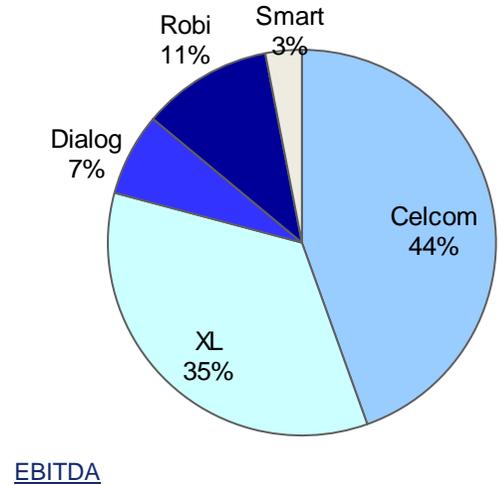
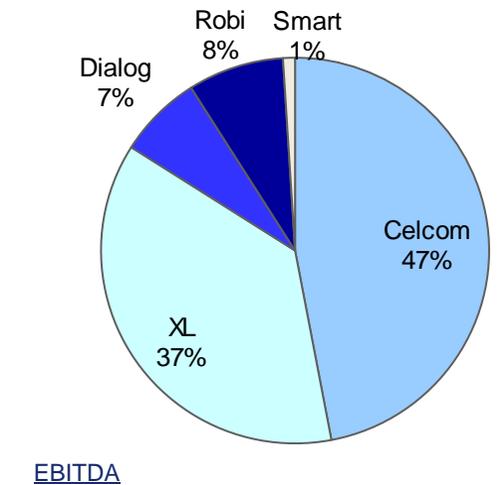
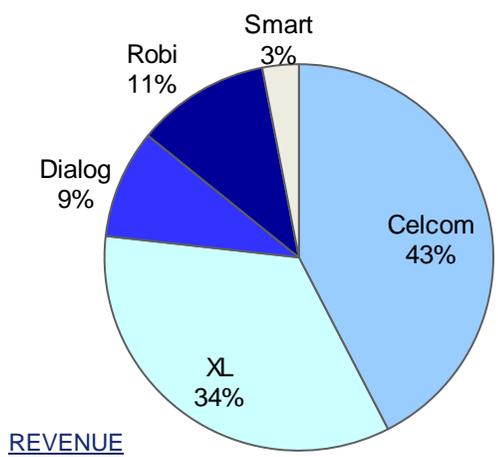
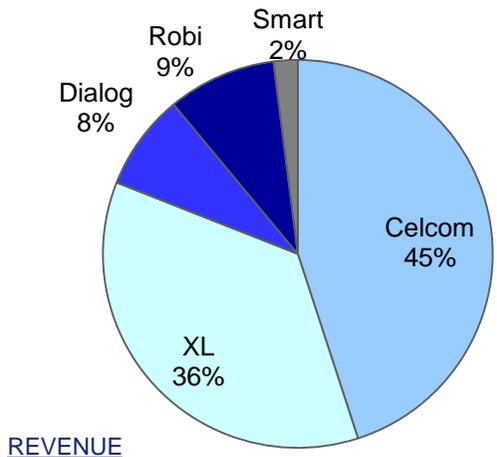
Key OPCOs Revenue and EBITDA Composition

Group dependence on Celcom and XL decreasing with higher growth in other OpCos



YTD 2013 REVENUE & EBITDA Breakdown (%)

YTD 2014 REVENUE & EBITDA Breakdown (%)



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



Axiata Group Borrowings & Cash

As at 31 March 2014

Group Borrowings

| RM Million | Loan Currency | Conventional | Islamic | Total |
|--------------------|------------------|--------------|--------------|---------------|
| Holdco & Non Opco | USD* | 1,818 | - | 1,818 |
| | CNY | | 527 | 527 |
| | Sub-total | 1,818 | 527 | 2,345 |
| Opcos | USD | 3,858 | - | 3,858 |
| | Local | 3,911 | 4,989 | 8,900 |
| | Sub-total | 7,769 | 4,989 | 12,758 |
| Total Group | | 9,587 | 5,516 | 15,103 |

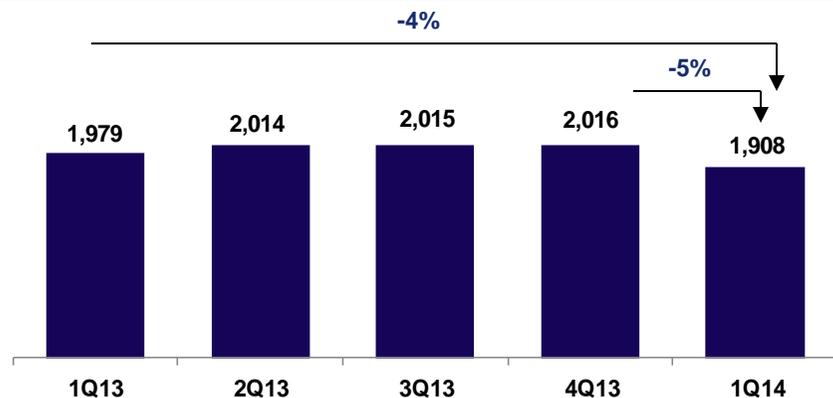
**As at 31 March 2014, Holdco & Non Opcos USD borrowings have been hedged to RM and SGD; USD250mn to RM800.7mn and USD300mn to SGD421.3mn; RMB 1bn to USD157mn*

71% of the total group USD loan exposure are hedged naturally or with financial institutions.

Group Cash Balance

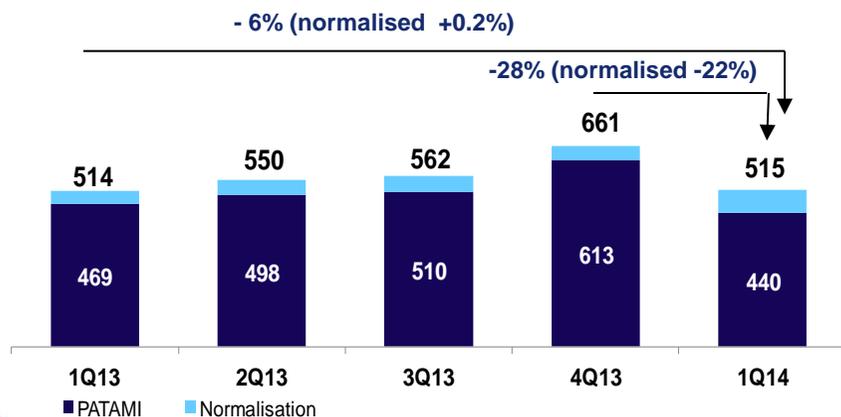
| RM Million | Currency | Amount |
|--------------------|------------------|--------------|
| Holdco & Non Opco | USD | 7 |
| | Local | 2,583 |
| | Sub-total | 2,590 |
| Opcos | USD | 29 |
| | Local | 2,947 |
| | Sub-total | 2,976 |
| Total Group | | 5,566 |

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



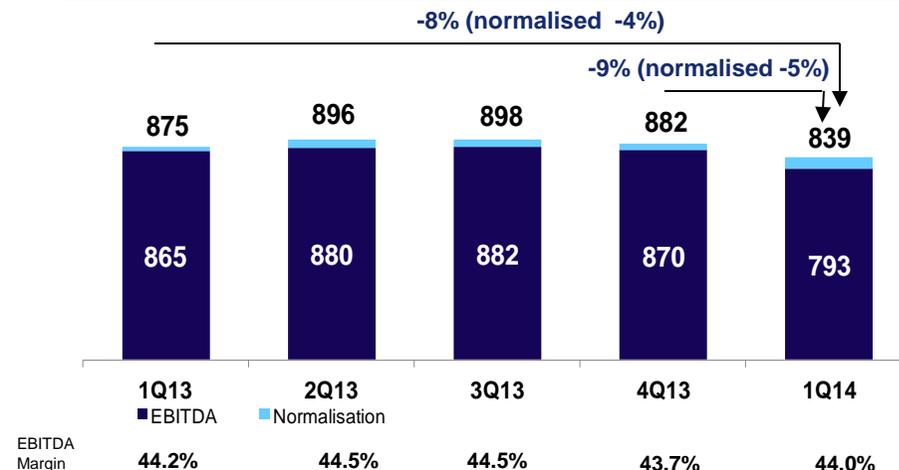
Total Data (incl. SMS) 34% 34% 34% 35% 36%
 Adv. Data (excl. SMS) 24% 24% 25% 26% 29%
 Sales of handset/devices 55 74 72 64 24

PATAMI (RM mn)*



* Normalisation – excludes holding company charge, Escape, and interest/charges on Sukuk

EBITDA (RM mn) & Margins (%) *



- A seasonally lower revenue post festivities and impact of shorter quarter.
- However, comparing to the same period last year, service revenue of RM1.81bil registered a slight growth YoY.
- Comparative lower earnings this quarter was mainly as result of one off tax reversal effected in Q413.



Operating Expenses [^]

| % of Revenue | 1Q13 | 4Q13 | 1Q14 |
|-----------------------------|--------------|--------------|--------------|
| Direct Expenses | 24.8% | 26.3% | 26.8% |
| Sales & Marketing | 8.5% | 7.3% | 7.7% |
| Network Costs | 10.2% | 8.8% | 10.1% |
| Staff Costs | 6.2% | 8.1% | 7.7% |
| Bad Debts | 0.4% | 0.8% | 0.0% |
| Others | 5.7% | 5.0% | 3.7% |
| Total Expenses | 55.8% | 56.3% | 56.0% |
| EBITDA Margin | 44.2% | 43.7% | 44.0% |
| Depreciation & Amortisation | 12.0% | 8.8% | 9.4% |

Q-o-Q

- Higher direct expenses – increase in third party cost sharing in tandem with the surge in content and MVNO revenue
- Staff cost - higher cost in 4Q13 was due to higher staff bonus accrued based on favorable year end performance.
- Lower bad debt - completion of review exercise in previous quarter

Financial Position (RM mn)

| | YTD Mar 13 | YTD Mar 14 |
|-------------------------|------------|------------|
| Capex | 176 | 184 |
| Cash & Cash Equivalents | 4,067 | 1,852 |
| Gross Debt | 4,983 | 4,989 |
| Net Assets | (175) | (406) |
| Gross debt / equity (x) | n/m | n/m |
| Gross debt / EBITDA(x) | 1.4 | 1.5 |

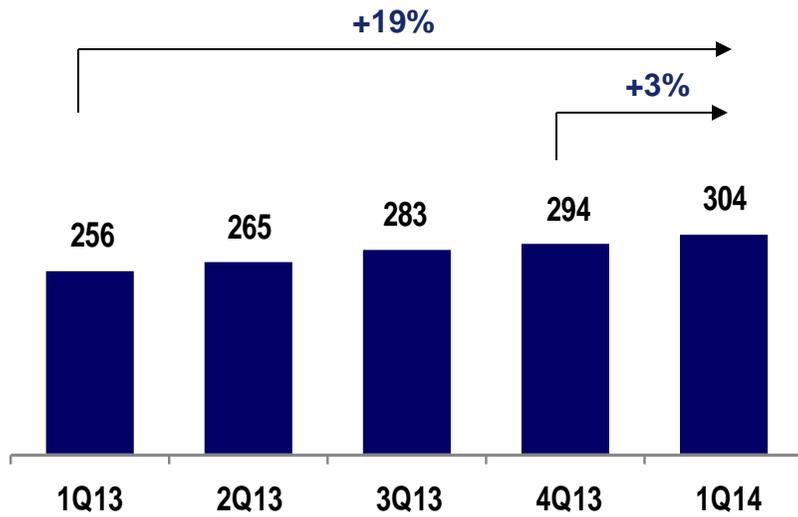
[^] OPEX and EBITDA Margin excludes holding company charge and Escape

Broadband Performance

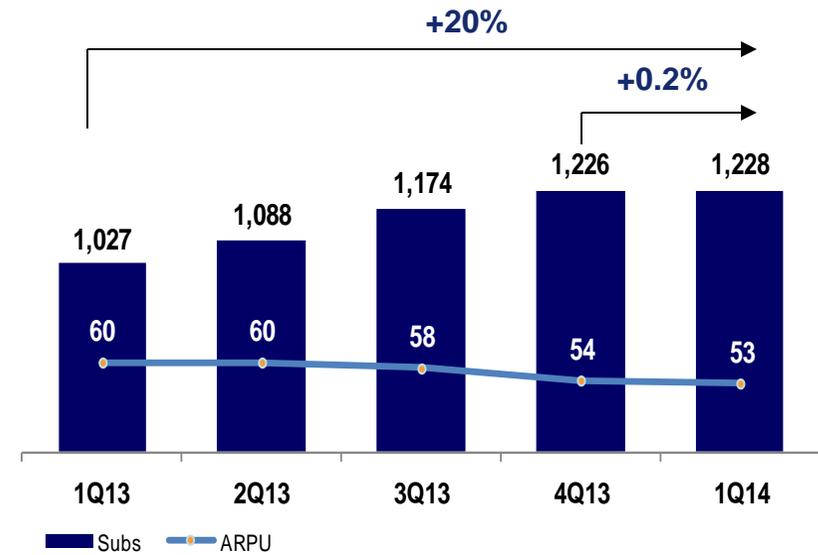
Registered a double digit Y-oY growth with elevation of small screen contribution



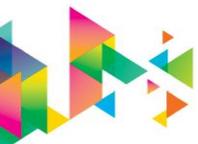
REVENUE (RM Mn)



SUBSCRIBERS * ('000)



* Subscribers and ARPU are based on postpaid monthly plan



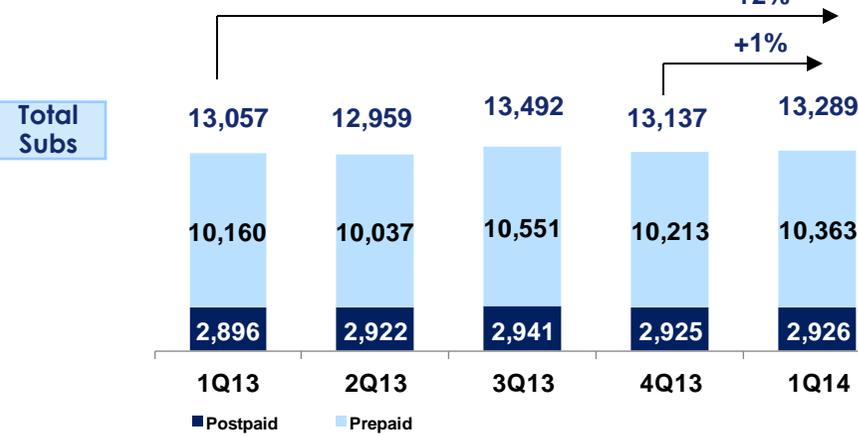
Celcom : Operational Performance

Blended ARPU remained resilient supported by an uplift of data revenue

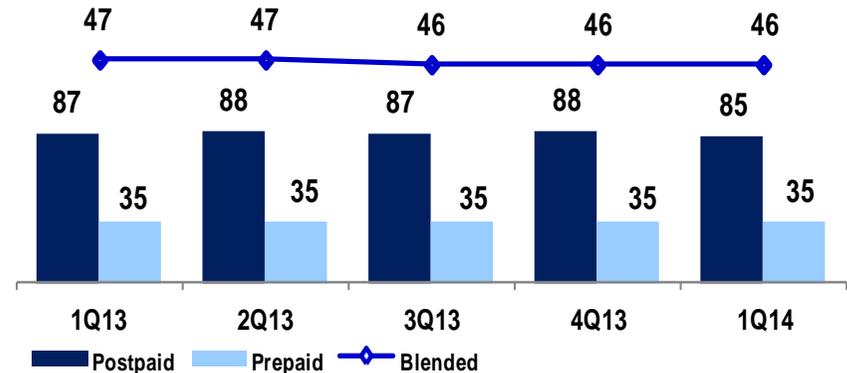


Subscribers (000's)

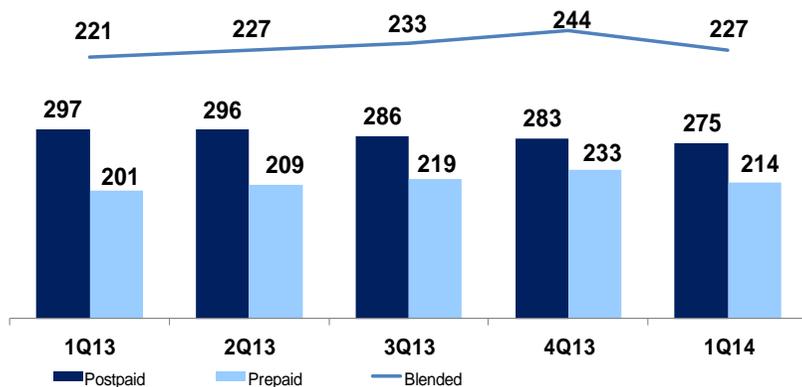
| | | | | | |
|-----------------|------------|------------|------------|-------------|------------|
| Net Adds | 376 | -98 | 533 | -354 | 152 |
| Prepaid | 358 | -123 | 514 | -338 | 150 |
| Postpaid | 17 | 25 | 19 | -16 | 1 |



ARPU (RM)



MOU/sub (min)



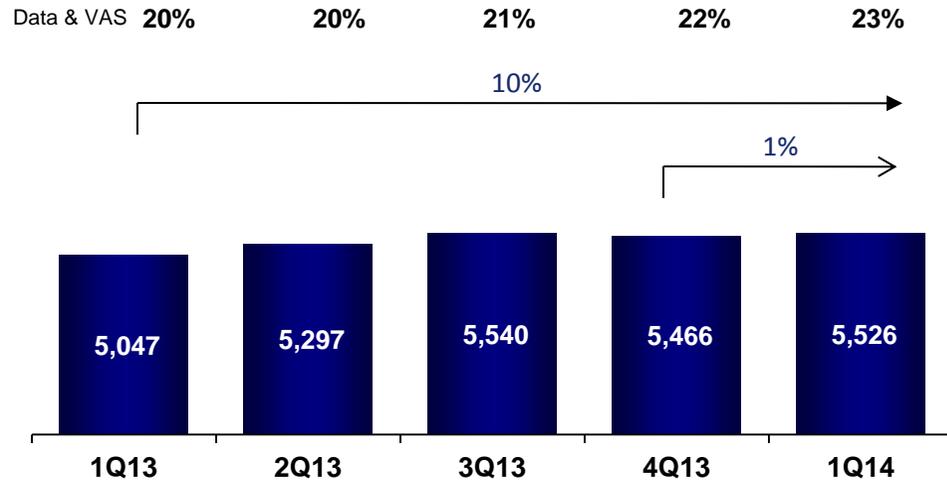
- Subscriber base grew moderately pushed by the continuous segmental acquisition drive
- A seasonal dilution of blended MOU per sub, however ARPU stable supported by the incremental revenue from non traditional revenue .



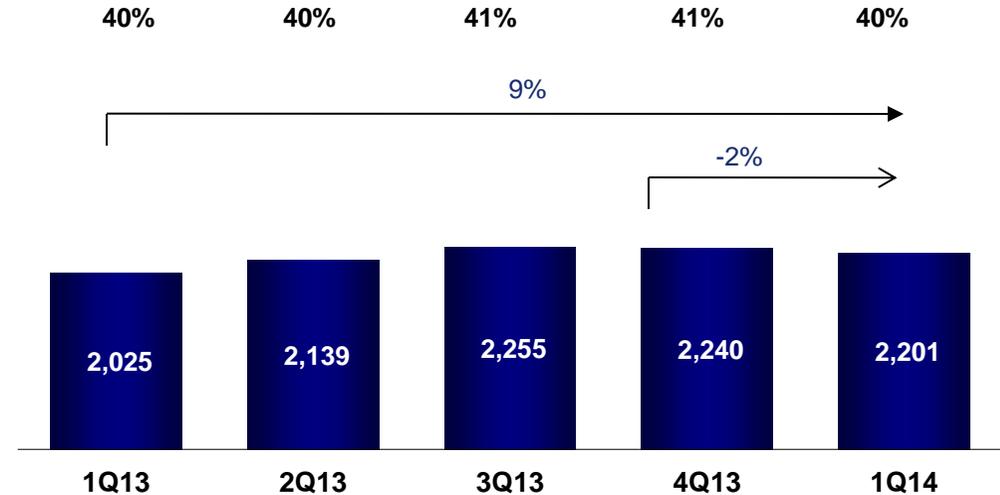
XL : Financial Performance

Outperformed the industry with strong performance in data

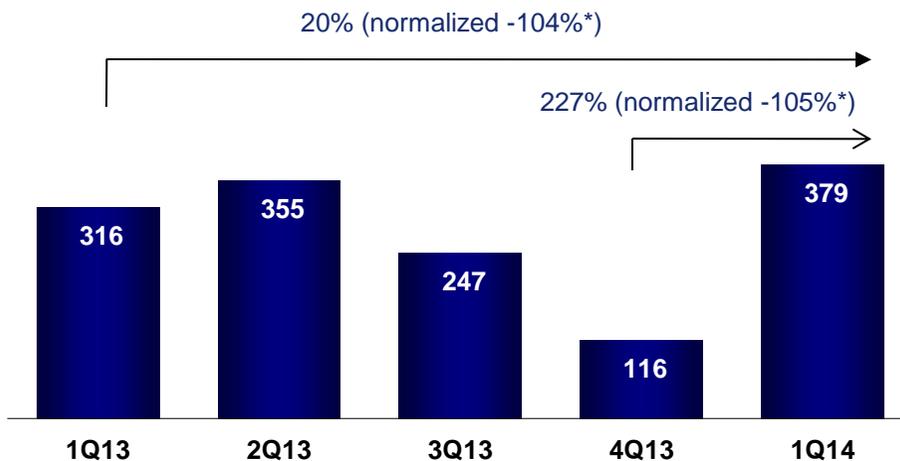
Revenue (Rp bn) & Data & VAS as % of revenue (%)



EBITDA (IDR bn) & EBITDA margin (%)



PAT (IDR bn)



* Normalized PAT excluding unrealized forex transaction and accelerated depreciation

- XL delivered strong performance outperforming the market in the 1Q 14 with 1% QoQ growth amidst a seasonally slow quarter for the industry. This was also the best first quarter growth compared to the past three years.
- XL managed to improve EBITDA with an increase of 9% YoY to Rp2.2 trillion with margin at 40%. XL's margin declined 1 percentage point QoQ due to the impact from Axis.
- PAT more than double QoQ and increased 20% YoY.
- The consolidation of Axis financials was effective 19th March 2014 with 12 days impact in this first quarter.

Operating Expenses

| % of Revenue | 1Q13 | 2Q13 | 3Q13 | 4Q13 | 1Q14 |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| Direct Expenses | 18.7% | 18.4% | 17.1% | 15.8% | 15.2% |
| Sales and Marketing | 6.5% | 6.4% | 6.7% | 5.7% | 5.3% |
| Network Cost | 27.1% | 27.2% | 28.3% | 30.2% | 32.5% |
| Staff Cost | 4.7% | 4.5% | 4.2% | 4.2% | 4.9% |
| Others | 2.5% | 2.6% | 2.5% | 2.9% | 2.0% |
| Total Expenses | 59.4% | 59.1% | 58.9% | 58.8% | 59.9% |
| EBITDA Margin | 40.1% | 40.4% | 40.7% | 41.0% | 39.8% |
| Depreciation & Amortisation | 26.3% | 26.2% | 28.4% | 27.0% | 28.2% |

- Lower direct expense YoY mainly driven by the decrease of interconnect cost.
- Sales & Marketing expense decreased YoY mainly due to XL's focus on delivering effective Advertising and Promotion and lower campaign activities in 1Q 14.
- Higher Network Cost was driven by the increase in number of leased sites, in line with the expansion of infrastructure on a lease model.
- Debt / EBITDA grew to 3.2x due to increase in debt related to recent transaction on Axis acquisition.

Financial Position (IDR bn)

| | 1Q13 | 1Q14 |
|---------------------------|--------|--------|
| Capitalized Capex | 1,791 | 1,747 |
| Cash and Cash Equivalents | 517 | 2,472 |
| Net Debts | 14,143 | 25,923 |
| Net Assets | 15,626 | 14,471 |
| Debt / Equity (x) | 0.9 | 2.0 |
| Debt / EBITDA (x) | 1.6 | 3.2 |

**Debt/EBITDA based on last 12 months trailing EBITDA

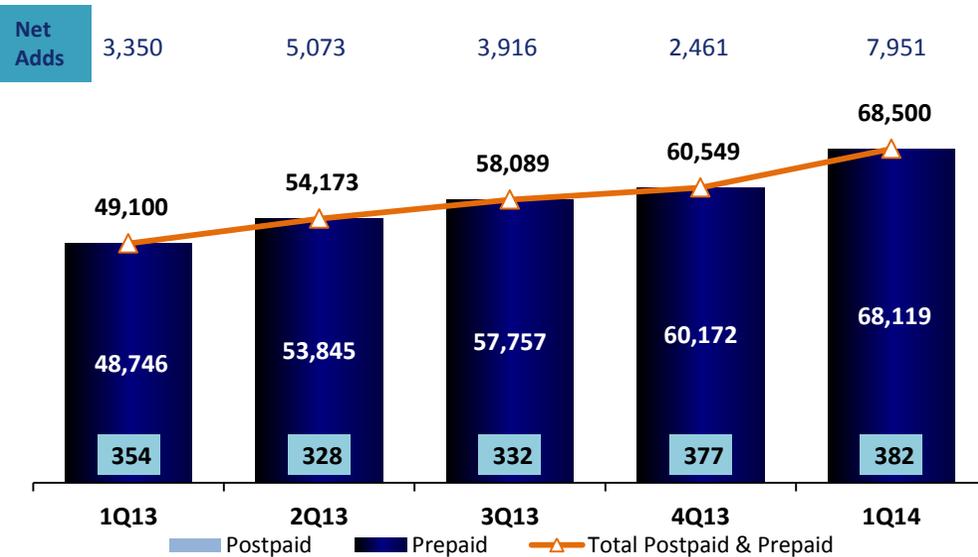
The consolidation of Axis financials was effective 19th March 2014



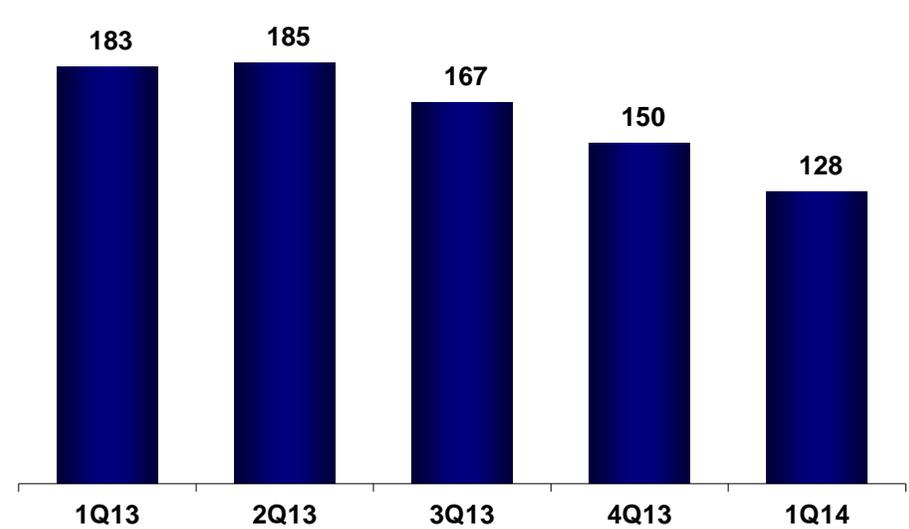
XL: Operational Performance

Strong growth in subscribers and data usage

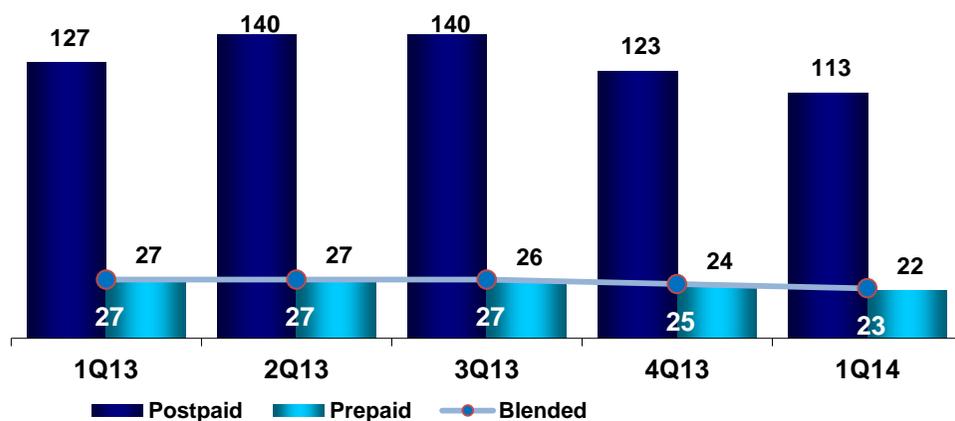
Subscribers (000's)



Outgoing MoU/subs/month (min)



ARPU (IDR thousands)

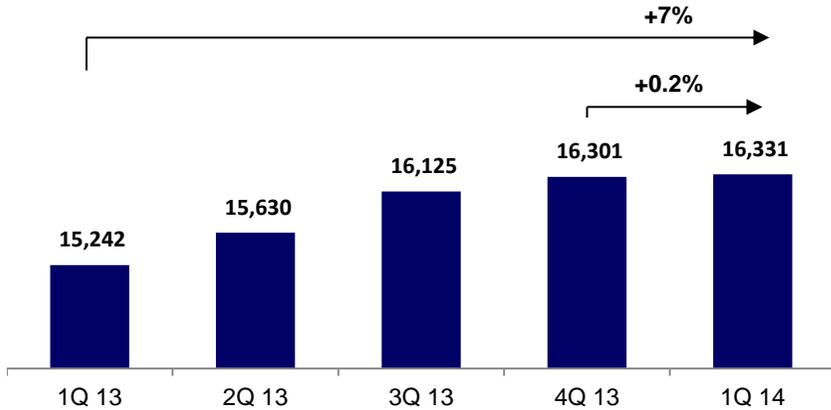


- Strong growth in subscribers with 40% YoY with Data subscribers that reached 55% of the total base.
- Data usage increased 176% YoY as a result of strong Data adoption amongst Data users.

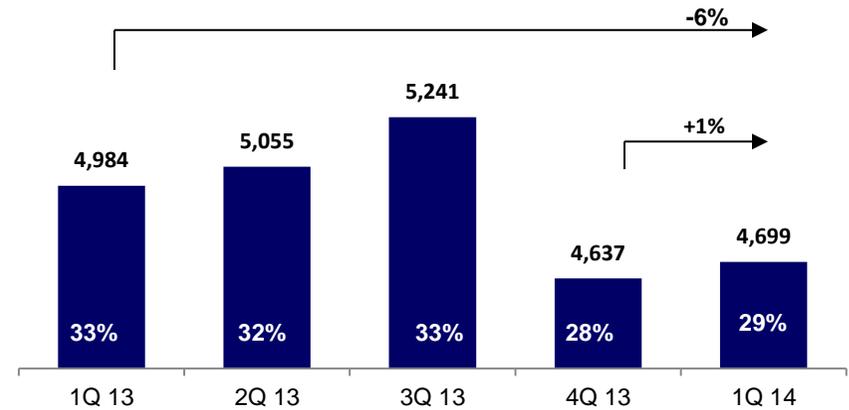
Dialog Group : Financial Performance

Group revenue continues its growth momentum

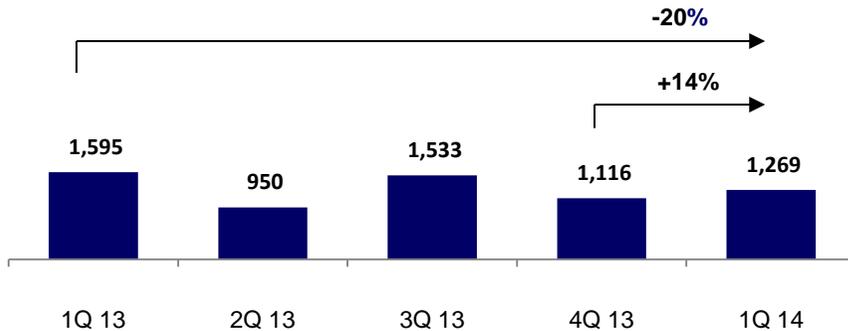
Revenue (SLR mn)



EBITDA (SLR mn) & margins (%)



PAT (SLR mn)



- Group revenues were stable on a QoQ basis and posted 7% growth relative to Q1 2013. Mobile continued to be the main contributor with data revenue driving the growth. However, global international business declined.
- Group EBITDA increased by 1% on the back of higher revenue and lower bad debts with improved collection. 6% YoY reduction in EBITDA despite higher revenue as Q1 2013 benefited from TDC refund of Rs 429mn
- Group PAT increased QoQ by 14% due to forex gain and lower depreciation. YoY Group PAT decreased by 20% on the back of lower EBITDA and higher depreciation



Dialog Group : Financial Performance

QoQ total cost as % of group revenue improved by 0.3 ppt due to reduced bad debt provision

Operating Expenses

| % of Revenue | Q1 13 | Q4 13 | Q1 14 |
|-----------------------|--------------|--------------|--------------|
| Direct expenses | 27.8% | 30.5% | 30.6% |
| Sales & Marketing | 13.3% | 11.9% | 12.3% |
| Network costs | 12.1% | 13.1% | 12.9% |
| Staff costs | 8.9% | 8.3% | 8.7% |
| Bad debts | 1.0% | 2.2% | 1.5% |
| Overheads | 4.2% | 5.6% | 5.3% |
| Total Expenses | 67.3% | 71.6% | 71.3% |
| EBITDA Margin | 32.7% | 28.4% | 28.7% |
| | 100.0% | 100.0% | 100.0% |
| D & A | 25.0% | 18.8% | 19.9% |

- QoQ total cost to revenue improved by 0.3ppts due to drop in bad debt provision resulting from focused collection efforts and lower network and other overhead cost.
- YoY total cost to revenue increased by 4ppts due to absence of TDC refund, expiration of VAT credits and higher network cost with expansion of the coverage footprint and capacity upgrade.

Financial Position (SLR mn)

| | 31 Dec 13 | 31 Mar 14 |
|-------------------------|-----------|-----------|
| Capex | 7,860 | 3,160 |
| Cash & Cash Equivalents | 3,218 | 3,517 |
| Gross Debt * | 27,587 | 27,635 |
| Net Assets | 39,735 | 40,987 |
| Gross Debt / equity (x) | 0.69 | 0.67 |
| Gross Debt/ EBITDA (x) | 1.39 | 1.47 |

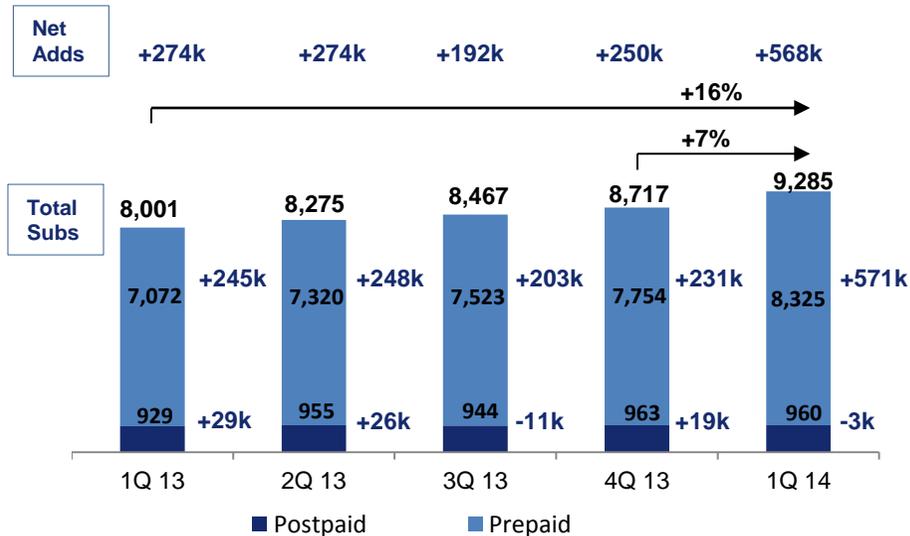
- The Group maintains a structurally strong Balance sheet with Gross debt to EBITDA ratio at 1.47x

* Gross debt excludes book overdraft balances

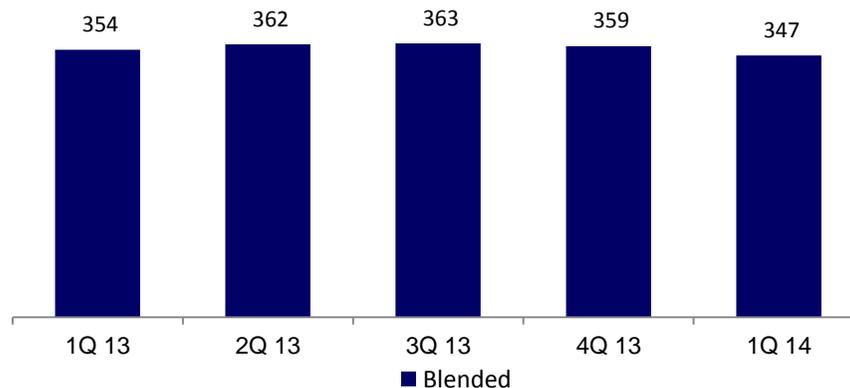
Dialog: Operational Performance

Mobile subscriber growth increased 16% YoY and 7% QoQ

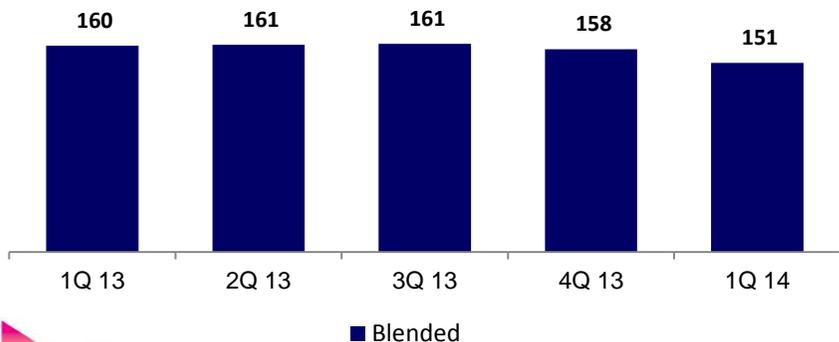
Subscribers(000's)



ARPU (SLR)



MOUs (min)*



- Prepaid segment driving the subscriber growth of 7% QoQ and 18% YoY
- Marginal drop in MoUs and ARPUs on QoQ basis due to Increase in telecom levy impacting usage elasticity

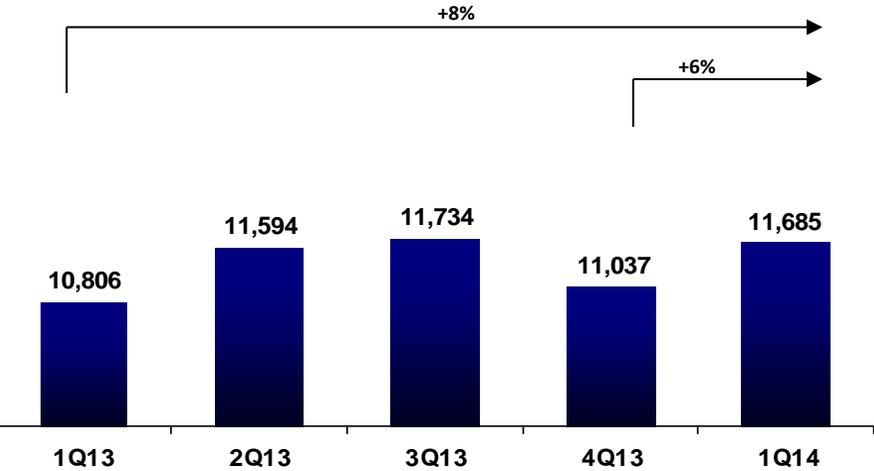
* MoUs are based on outgoing min

Robi : Financial Performance

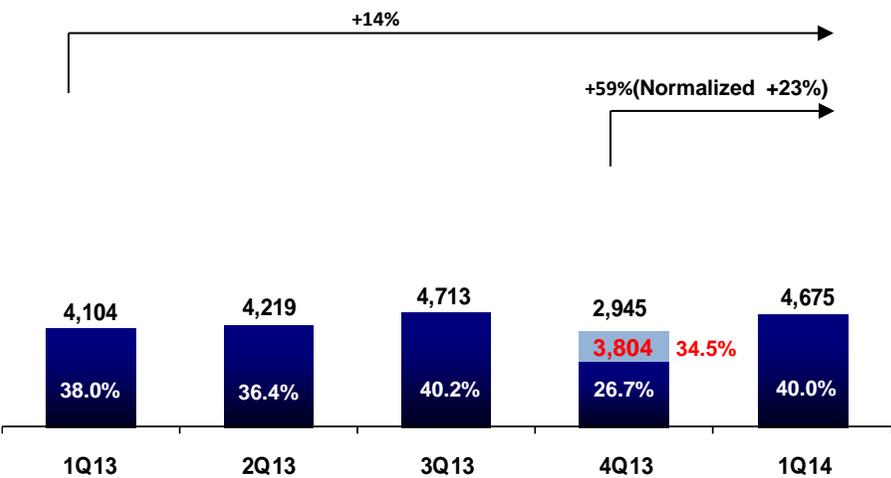
Robust performance supported by political stability and economic recovery



Revenue (BDT mn)

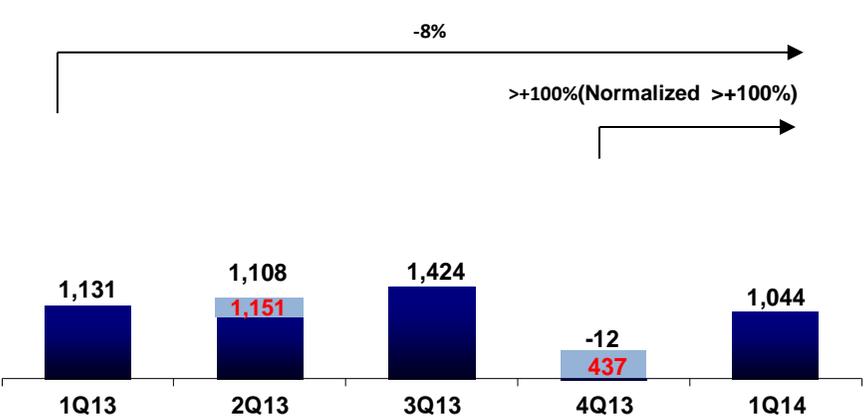


EBITDA (BDT mn) & Margins (%)



EBITDA normalized by one off bad debt provision

PAT (BDT mn)



PAT normalized by swap losses and one off bad debt provision

- 5.9% QoQ (8.2% EDB) and 8.1% YoY revenue growth driven by prepaid voice and data (QoQ data revenue growth of 16.0%)
- Revenue uplift and opex reduction helped to record strong EBITDA in the quarter. QoQ EBITDA margin surged by 13.3pp, largely due to one off accounting adjustments during 4Q13
- Turnaround in PAT QoQ from incremental customer acquisition and one off accounting adjustment in 4Q13. YoY PAT decline primarily due to higher depreciation from capex rollout and also as some forex gain was recognized in 1Q13.



Robi : Financial Performance

Lower SIM uplifting reduced opex

Operating Expenses

| % of Revenue | 1Q 13 | 4Q 13 | 1Q 14 |
|-----------------------|---------------|---------------|---------------|
| Direct Expenses | 38.4% | 36.9% | 32.3% |
| Sales & Marketing | 4.3% | 5.1% | 4.4% |
| Network Costs | 9.1% | 10.8% | 11.6% |
| Staff Costs | 5.2% | 5.4% | 5.5% |
| Bad Debts | 0.1% | 7.8% | 0.0% |
| Others | 4.9% | 7.3% | 6.2% |
| Total Expenses | 62.0% | 73.3% | 60.0% |
| EBITDA Margin | 38.0% | 26.7% | 40.0% |
| | 100.0% | 100.0% | 100.0% |
| D & A | 17.5% | 20.4% | 19.6% |

Financial Position (BDT mn)

| | 31 Dec 13 | 31 Mar 14 |
|-------------------------|-----------|-----------|
| Capex | 12,820 | 4,999 |
| Cash & Cash Equivalents | 4,779 | 5,145 |
| Gross Debt | 11,355 | 11,092 |
| Net Assets | 42,114 | 43,158 |
| Gross debt / Equity (x) | 0.27 | 0.26 |
| Gross debt / EBITDA (x) | 0.71 | 0.59 |

Operating expenses:

- Direct Expenses QoQ- decreased due to lower subscriber acquisition resulting from lower lifting (3.7mn vs 1.7mn).
- Sales & Marketing- decreased in 1Q14 due to deferred market execution planning.
- Network Costs- increased for seasonal preventive maintenance of NW infrastructure along with fiber optic lease expenses.

Financial Position

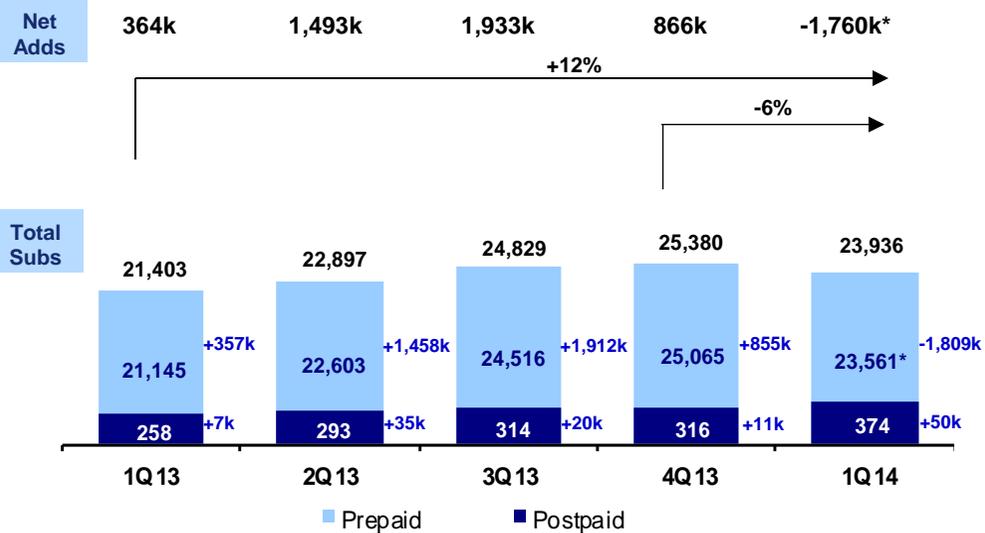
- Capex- aggressive roll out for 3G Network expansion.

Robi : Operational Performance

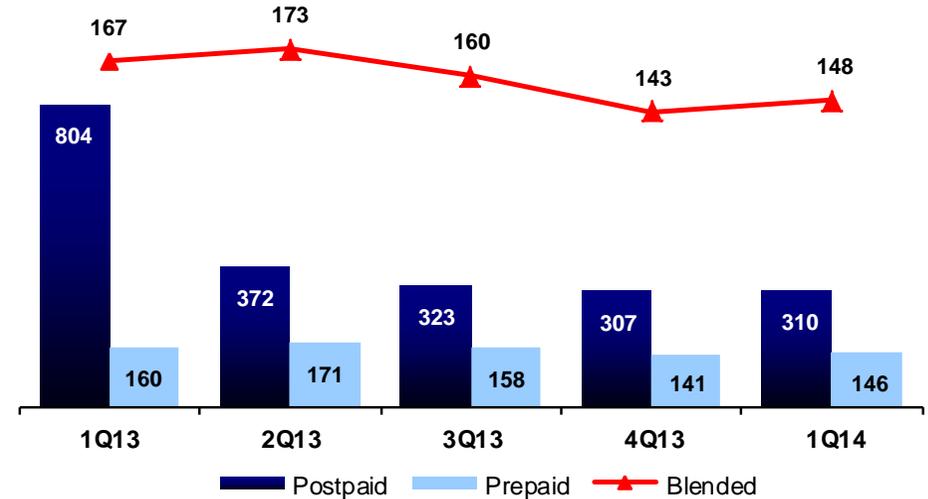
Subscriber base increased YoY due to continued win back promotions



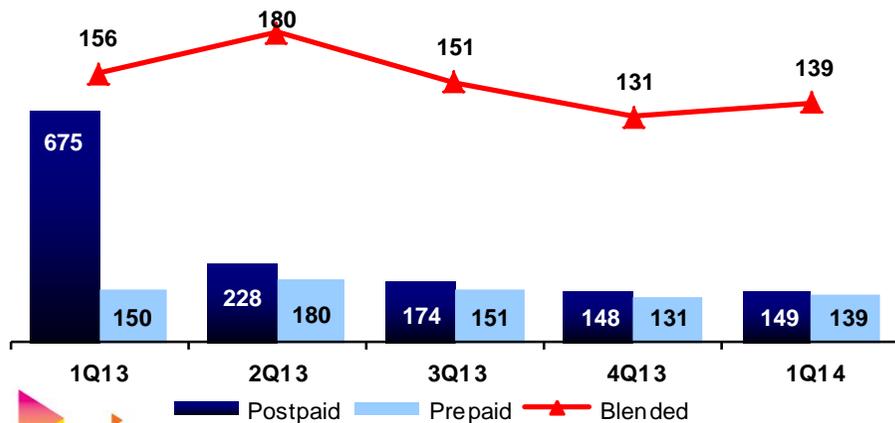
Subscribers (000's)



ARPU (BDT)



MOU/sub (min)



ARPU, MoU/Sub increased from enhanced usage after political stalemate unlocked, national events like, Independent Day, Int'l Language Day, T-20 World Cup.

Note: ARPU, MoU/Sub are based on active subscriber base.
*1Q14 Subs base adjusted as per BTRC revised definition of '90-days active' basis.



Regional Mobile: QoQ Performance Highlights

| COMPANY | HIGHLIGHTS | QUARTER ON QUARTER PERFORMANCE | | | | | | | |
|---|---|--------------------------------|--|------|---|--------|---|-----|---|
|  | <p>In February 2014, Idea won 65.2 MHz of spectrum including 5MHz of 900 MHz for Delhi & 45 MHz contiguous spectrum of 1800 MHz</p> | Revenue |  | Subs |  | EBITDA |  | PAT |  |
|  | <p>During the quarter, added 5,000 fibre customer bringing its base to 90,000</p> | Revenue |  | Subs |  | EBITDA |  | PAT |  |

Note: Idea and wholly owned subsidiaries on a consolidated basis. Idea results for Mar'14 quarter vs Dec'13 quarter.

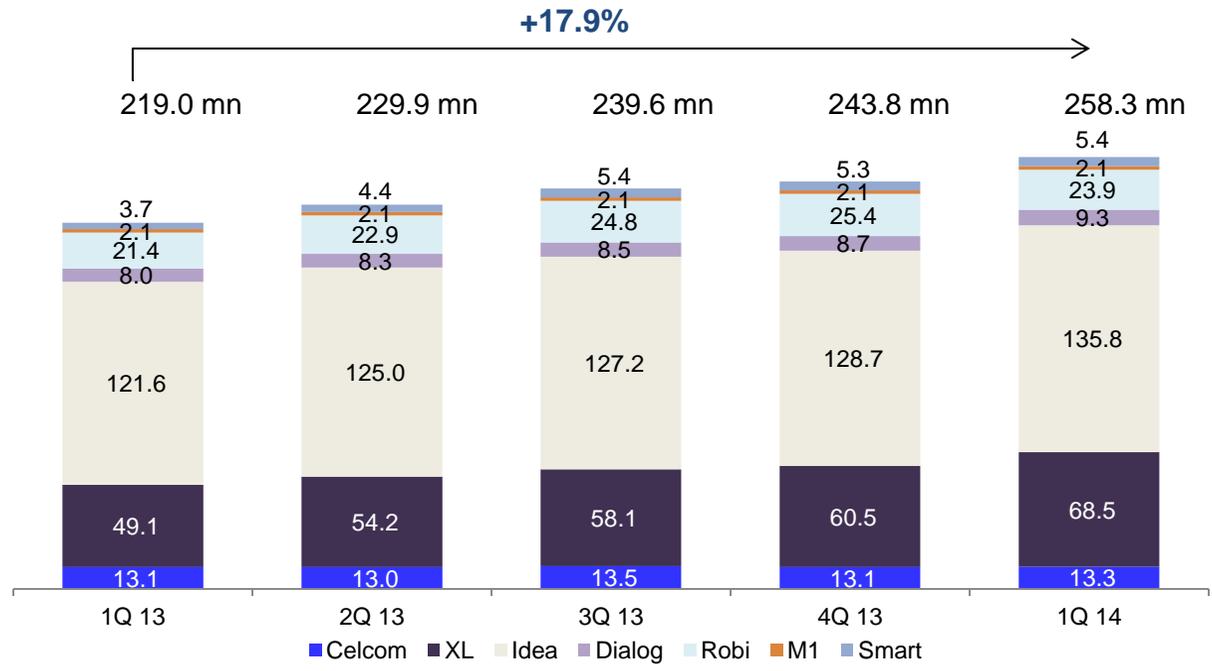
Regional Mobile: YTD Performance Highlights

| COMPANY | HIGHLIGHTS | YTD ON YTD PERFORMANCE | | | | | | | | |
|--|---|------------------------|--|------|--|--------|--|-----|--|--|
|  | <p>Proposed dividend @ 4%, an overall payment of Rs. 1,554 million (including dividend distribution tax).</p> | Revenue |  <p>16%</p> | Subs |  <p>12%</p> | EBITDA |  <p>33%</p> | PAT |  <p>91%</p> | |
| ----- | | | | | | | | | | |
|  | <p>4G network is now capable of supporting speeds of up to 150 Mbps nationwide. This will be further upgraded to 300 Mbps when LTE-Advanced is implemented by the end of this year.</p> | Revenue |  <p>1%</p> | Subs |  <p>3%</p> | EBITDA |  <p>3%</p> | PAT |  <p>4%</p> | |

Note: Idea and wholly owned subsidiaries on a consolidated basis. Idea results for Mar'14 quarter vs Mar'13 quarter.

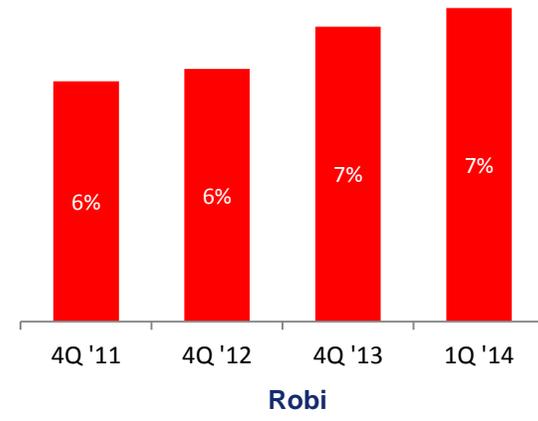
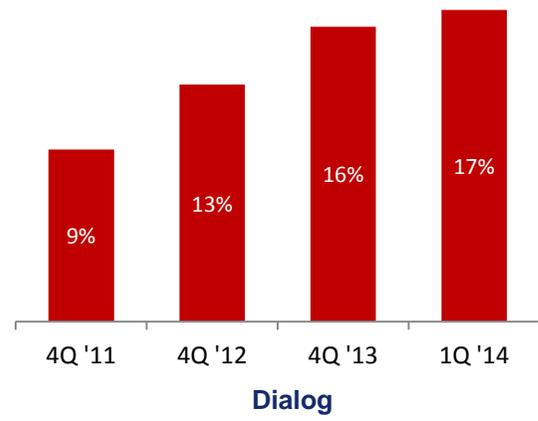
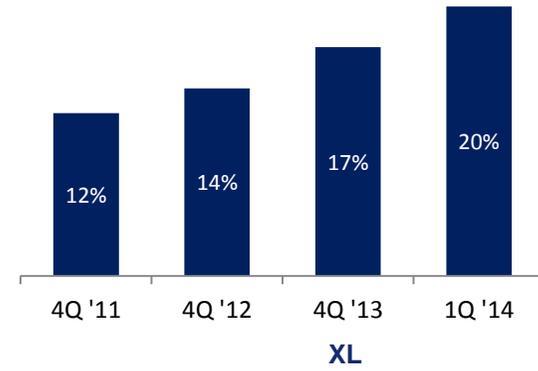
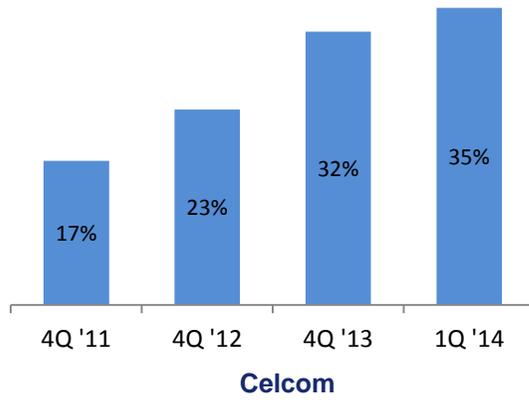
Group active subscriber base grew by 17.9% with strong growth at Idea and due to Axis acquisition

Subscribers (million)



Subscriber of XL in 1Q14 including Axis

Axiata OpCos post strong data revenue growth as smartphone adoption increases



Smartphone penetration of major OpCos



Thank You

www.axiata.com

Axiata Group Berhad