AXIATA GROUP BERHAD (242188-H)

The Board of Directors of Axiata Group Berhad is pleased to announce the following audited results of the Group for the financial year ended 31 December 2013.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	4th Quarter Ended		Financial Year Ended	
	31/12/2013	31/12/2012	31/12/2013	31/12/2012
	RM '000	RM '000	RM '000	RM '000
	Audited	Restated	Audited	Audited
Operating revenue	**4,512,261**	4,448,808	**18,370,841**	17,651,617
Operating costs				
- depreciation, impairment and amortisation	**(876,032)**	(916,310)	**(3,435,330)**	(3,339,563)
- foreign exchange gains/(losses)	**8,134**	(21,598)	**8,182**	(136,184)
- domestic interconnect and international outpayment	**(612,541)**	(567,114)	**(2,580,197)**	(2,284,257)
- marketing, advertising and promotion	**(343,497)**	(372,883)	**(1,476,660)**	(1,439,743)
- other operating costs	**(1,529,637)**	(1,388,719)	**(5,815,918)**	(5,363,165)
- staff costs	**(316,726)**	(325,834)	**(1,226,943)**	(1,139,955)
- other gains - net	**54,141**	4,657	**203,648**	30,155
Other operating income	**24,215**	31,870	**47,881**	94,044
Operating profit before finance cost	**920,318**	892,877	**4,095,504**	4,072,949
Finance income	**44,790**	70,040	**261,296**	262,345
Finance cost excluding net foreign exchange (losses)/gains on financing activities	**(196,016)**	(168,229)	**(720,729)**	(717,799)
Net foreign exchange (losses)/gains on financing activities	**(114,216)**	16,141	**(358,118)**	(66,214)
	(310,232)	(152,088)	**(1,078,847)**	(784,013)
Joint ventures				
- share of results (net of tax)	**997**	(1,577)	**5,329**	(1,577)
Associates				
- share of results (net of tax)	**72,726**	74,202	**270,823**	234,950
- loss on dilution of equity interests	**(2,033)**	(10,790)	**(21,066)**	(22,860)
Profit before taxation	**726,566**	872,664	**3,533,039**	3,761,794
Taxation	**(140,239)**	(215,058)	**(794,462)**	(882,217)
Profit for the financial period/year	**586,327**	657,606	**2,738,577**	2,879,577
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss:				
- actuarial (losses)/gains on defined benefits plan, net of tax	**(3,728)**	(753)	**5,593**	(6,592)
Items that may be reclassified subsequently to profit or loss:				
- currency translation differences	**(43,883)**	(5,820)	**(491,600)**	(586,456)
- net investment hedge, net of tax	**(16,400)**	(20,066)	**(35,280)**	(40,354)
Other comprehensive expense for the financial period/year, net of tax	**(64,011)**	(26,639)	**(521,287)**	(633,402)
Total comprehensive income for the financial period/year	**522,316**	630,967	**2,217,290**	2,246,175
Profit for the financial period/year attributable to:				
- owners of the Company	**575,632**	571,100	**2,550,021**	2,513,285
- non-controlling interests	**10,695**	86,506	**188,556**	366,292
	586,327	657,606	**2,738,577**	2,879,577
Total comprehensive income for the financial period/year attributable to:				
- owners of the Company	**556,345**	549,107	**2,242,481**	2,047,141
- non-controlling interests	**(34,029)**	81,860	**(25,191)**	199,034
	522,316	630,967	**2,217,290**	2,246,175
Earnings per share (sen) (Note B,14)				
- basic	**6.7**	6.7	**29.9**	29.6
- diluted	**6.7**	6.7	**29.7**	29.5

(The above Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012)

AXIATA GROUP BERHAD (242188-H)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31/12/2013 RM '000 Audited	As at 31/12/2012 RM '000 Restated	As at 01/01/2012 RM '000 Restated
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	8,540,663	8,508,209	8,466,182
Share premium	2,223,076	2,094,125	1,989,885
Reserves	8,857,846	9,498,174	9,387,015
Total equity attributable to owners of the Company	19,621,585	20,100,508	19,843,082
Non-controlling interests	1,757,486	1,906,714	1,832,415
Total equity	21,379,071	22,007,222	21,675,497
NON-CURRENT LIABILITIES			
Borrowings	12,299,630	10,765,691	9,231,424
Derivative financial instruments	109,384	194,181	127,749
Deferred income	271,585	247,188	136,056
Other payables	72,119	68,417	177,946
Provision for liabilities	293,102	338,948	343,148
Deferred tax liabilities	1,578,687	1,418,265	1,380,054
Total non-current liabilities	14,624,507	13,032,690	11,396,377
	36,003,578	**35,039,912**	**33,071,874**
NON-CURRENT ASSETS			
Intangible assets	9,548,554	8,392,514	8,297,978
Property, plant and equipment	17,106,708	16,910,358	16,391,183
Joint ventures	56,215	1,618	-
Associates	6,999,122	6,838,467	6,769,135
Available-for-sale financial asset	141	892	893
Derivative financial instruments	238,560	33,621	44,891
Long term receivables	97,533	98,750	108,858
Deferred tax assets	241,955	263,842	315,611
Total non-current assets	34,288,788	32,540,062	31,928,549
CURRENT ASSETS			
Inventories	62,805	56,455	112,185
Trade and other receivables	2,679,905	2,112,098	2,106,281
Derivative financial instruments	-	22,087	-
Financial assets at fair value through profit or loss	8	8	9
Tax recoverable	32,822	40,839	55,242
Deposits, cash and bank balances	6,432,918	7,906,204	6,616,788
Assets directly associated with non-current assets classified as held-for-sale	-	252,848	286,807
Total current assets	9,208,458	10,390,539	9,177,312
LESS : CURRENT LIABILITIES			
Trade and other payables	6,108,805	5,730,997	5,556,228
Borrowings	1,136,745	1,892,371	2,227,939
Current tax liabilities	248,118	115,045	62,382
Liabilities directly associated with non-current assets classified as held-for-sale	-	152,276	187,438
Total current liabilities	7,493,668	7,890,689	8,033,987
Net current assets	1,714,790	2,499,850	1,143,325
	36,003,578	**35,039,912**	**33,071,874**
Net assets per share attributable to owners of the Company (sen)	230	236	234

(The above Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012)

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Attributable to equity holders of the Company											
	Issued and fully paid-up ordinary shares of RM1 each											
	Share capital RM '000	Share premium RM '000	Currency translation differences RM '000	Capital contribution reserve RM '000	Merger reserve RM '000	Hedging reserve RM '000	ESOS and RSA reserve RM '000	Actuarial reserve RM '000	Retained earnings RM '000	Total RM '000	Non-controlling interests RM '000	Total equity RM '000
At 1 January 2013	**8,508,209**	**2,094,125**	**(554,660)**	**16,598**	**346,774**	**(116,997)**	**111,044**	**(4,387)**	**9,699,802**	**20,100,508**	**1,906,714**	**22,007,222**
Profit for the financial year	-	-	-	-	-	-	-	-	2,550,021	2,550,021	188,556	2,738,577
Other comprehensive (expense)/income:												
- Currency translation differences arising during the financial year:												
- subsidiaries	-	-	(302,286)	-	-	-	-	-	-	(302,286)	(215,743)	(518,029)
- associates	-	-	26,429	-	-	-	-	-	-	26,429	-	26,429
	-	-	(275,857)	-	-	-	-	-	-	(275,857)	(215,743)	(491,600)
- Net investment hedge, net of tax	-	-	-	-	-	(35,280)	-	-	-	(35,280)	-	(35,280)
- Actuarial gain for the financial year, net of tax	-	-	-	-	-	-	-	3,597	-	3,597	1,996	5,593
Total comprehensive (expense)/income	**-**	**-**	**(275,857)**	**-**	**-**	**(35,280)**	**-**	**3,597**	**2,550,021**	**2,242,481**	**(25,191)**	**2,217,290**
Transactions with owners:												
- Issuance of new shares	32,454	92,782	-	-	-	-	-	-	-	125,236	-	125,236
- Share issue expense	-	(255)	-	-	-	-	-		-	(255)	-	(255)
- Acquisition of a subsidiary (Note A, 4(a))	-	-	-	-	-	-	-	-	682	682	52,610	53,292
- Additional investment in a subsidiary (Note A, 12(e))	-	-	-	-	-	-	-	-	51,786	51,786	(51,786)	-
- Dilution of equity interest in a subsidiary (Note A, 12(i))	-	-	-	-	-	-	-	-	6,194	6,194	8,141	14,335
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(133,002)	(133,002)
- Dividends paid to shareholders (Note A, 7)	-	-	-	-	-	-	-	-	(2,985,725)	(2,985,725)	-	(2,985,725)
- Axiata Share Scheme:												
- value of employees' services	-	-	-	-	-	-	80,678	-	-	80,678	-	80,678
- transferred from ESOS reserve upon exercise/vest	-	36,424	-	-	-	-	(36,424)	-	-	-	-	-
Total transactions with owners	32,454	128,951	-	-	-	-	44,254	-	(2,927,063)	(2,721,404)	(124,037)	(2,845,441)
At 31 December 2013	**8,540,663**	**2,223,076**	**(830,517)**	**16,598**	**346,774**	**(152,277)**	**155,298**	**(790)**	**9,322,760**	**19,621,585**	**1,757,486**	**21,379,071**

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012)

AXIATA GROUP BERHAD (242188-H)

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

	Attributable to equity holders of the Company											
	Issued and fully paid-up ordinary shares of RM1 each											
	Share capital RM '000	Share premium RM '000	Currency translation differences RM '000	Capital contribution reserve RM '000	Merger reserve RM '000	Hedging reserve RM '000	ESOS and RSA reserve RM '000	Actuarial reserve RM '000	Retained earnings RM '000	Total RM '000	Non-controlling interests RM '000	Total equity RM '000
At 1 January 2012 (as previously reported)	8,466,182	1,989,885	(1,947,251)	16,598	346,774	(76,643)	96,838	-	10,396,129	19,288,512	1,832,355	21,120,867
Effect of adoption of MFRS1	-	-	1,813,994	-	-	-	-	-	(1,259,424)	554,570	60	554,630
At 1 January 2012 (as restated)	8,466,182	1,989,885	(133,257)	16,598	346,774	(76,643)	96,838	-	9,136,705	19,843,082	1,832,415	21,675,497
Profit for the financial year	-	-	-	-	-	-	-	-	2,513,285	2,513,285	366,292	2,879,577
Other comprehensive expense:												
- Currency translation differences arising during the financial year:												
- subsidiaries	-	-	(370,861)	-	-	-	-	-	-	(370,861)	(165,053)	(535,914)
- associates	-	-	(50,542)	-	-	-	-	-	-	(50,542)	-	(50,542)
	-	-	(421,403)	-	-	-	-	-	-	(421,403)	(165,053)	(586,456)
- Net investment hedge, net of tax	-	-	-	-	-	(40,354)	-	-	-	(40,354)	-	(40,354)
- Actuarial loss for the financial year								(4,387)		(4,387)	(2,205)	(6,592)
Total comprehensive (expense)/income	**-**	**-**	**(421,403)**	**-**	**-**	**(40,354)**	-	**(4,387)**	**2,513,285**	**2,047,141**	**199,034**	**2,246,175**
Transactions with owners:												
- Issuance of new shares	42,027	59,609	-	-	-	-	-	-	-	101,636	-	101,636
- Share issue expense	-	(341)	-	-	-	-	-	-	-	(341)	-	(341)
- Dilution of equity interest in a subsidiary	-	-	-	-	-	-	-	-	4,087	4,087	7,324	11,411
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(132,059)	(132,059)
- Dividends paid to shareholders	-	-	-	-	-	-	-	-	(1,954,275)	(1,954,275)	-	(1,954,275)
- Axiata Share Scheme:												
- value of employees' services	-	-	-	-	-	-	59,178	-	-	59,178	-	59,178
- transferred from ESOS reserve upon exercise	-	44,972	-	-	-	-	(44,972)	-	-	-	-	-
Total transactions with owners	42,027	104,240	-	-	-	-	14,206	-	(1,950,188)	(1,789,715)	(124,735)	(1,914,450)
At 31 December 2012	**8,508,209**	**2,094,125**	**(554,660)**	**16,598**	**346,774**	**(116,997)**	**111,044**	**(4,387)**	**9,699,802**	**20,100,508**	**1,906,714**	**22,007,222**

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012)

AXIATA GROUP BERHAD (242188-H)

AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	FOR THE FINANCIAL YEAR ENDED 31/12/2013 RM '000	31/12/2012 RM '000
Receipts from customers	17,665,841	17,637,956
Payments to suppliers and employees	(10,802,642)	(9,357,687)
Payment of finance cost	(817,594)	(774,241)
Payment of zakat	(8,500)	(500)
Payment of income taxes (net of refunds)	(388,862)	(668,547)
CASH FLOWS FROM OPERATING ACTIVITIES	**5,648,243**	**6,836,981**
Proceeds from disposal of property, plant and equipment	46,595	46,305
Purchase of property, plant and equipment	(4,116,997)	(5,125,756)
Acquisition of other intangible assets	(877,590)	(336,323)
Investment in a new subsidiary	(402,007)	(80,380)
Investments in deposits maturing more than three (3) months	(334,311)	-
Additional investments in associates	(1,655)	-
Acquisition of an associate	-	(3,728)
Acquisition of a joint venture	(59,326)	(3,195)
Dividends received from associates	117,005	97,087
Net repayment from employees	(190)	117
Interest received	261,193	262,574
CASH FLOWS USED IN INVESTING ACTIVITIES	**(5,367,283)**	**(5,143,299)**
Proceeds from issuance of shares under Axiata Share Scheme	125,236	101,636
Share issue expense	(255)	(341)
Proceeds from borrowings (net of transaction costs)	3,052,971	2,519,607
Proceeds from Sukuk issuance	-	5,435,280
Repayments of borrowings	(2,192,888)	(2,104,496)
Early repayment of existing Sukuk	-	(4,200,000)
Dividends paid to non-controlling interests	(133,002)	(132,059)
Dividends paid to shareholders	(2,985,725)	(1,954,275)
CASH FLOWS USED IN FINANCING ACTIVITIES	**(2,133,663)**	**(334,648)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,852,703)	1,359,034
NET (INCREASE)/DECREASE IN RESTRICTED CASH AND CASH EQUIVALENTS	(62,667)	558,627
EFFECT OF EXCHANGE RATE CHANGES	30,357	(69,603)
CASH OF A SUBSIDIARY PREVIOUSLY HELD AS NON CURRENT ASSETS HELD FOR SALE	1,342	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	**7,894,464**	**6,046,406**
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	**6,010,793**	**7,894,464**
Total deposits, cash and bank balances	6,432,918	7,906,204
Less :		
- Deposit pledged	(69,055)	(6,388)
- Deposits maturing more than three (3) months	(334,311)	-
- Bank overdraft	(18,759)	(5,352)
TOTAL CASH AND CASH EQUIVALENTS AS AT THE END OF THE FINANCIAL YEAR	**6,010,793**	**7,894,464**

(The above Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2012)

AXIATA GROUP BERHAD (242188-H)
(Incorporated in Malaysia)

PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

1. Basis of Preparation

The audited financial statements for the financial year ended 31 December 2013 of the Group have been prepared in accordance with the International Financial Reporting Standards compliant framework, Malaysian Financial Reporting Standards ("MFRS"), MFRS 134 "Interim Financial Reporting", Paragraph 9.22 and Appendix 9B of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR"), and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2012 ("2012 Audited Financial Statements").

2. Accounting Policies

The accounting policies and method of computation applied in the audited interim financial statements are consistent with those used in the preparation of the 2012 Audited Financial Statements except for the adoption of new standards and amendments/improvements to existing standards that are applicable to the Group for the financial period beginning 1 January 2013 as set out below.

(a) New and amendments to existing standards

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures

Amendments to MFRS 1 "First-time adoption of MFRSs" on Government Loans

Amendments to MFRS 7 "Financial Instruments: Disclosures" on Disclosures - Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 10, 11 and 12 on Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance

(b) Annual improvements 2009-2011 Cycle

MFRS 1	First-time adoption of MFRS
MFRS 101	Presentation of Financial Statements
MFRS 116	Property, Plant and Equipment
MFRS 132	Financial Instruments: Presentation
MFRS 134	Interim Financial Reporting

(c) Early adoption of standard

Amendment to MFRS 136 "Impairment of Assets"

The early/adoption of the new standards and amendments/annual improvements to existing standards did not have any significant impact to the Group during the current quarter and financial year to date, except as follows:

2. Accounting Policies (continued)

Amendment to MFRS 116 (annual improvements 2009-2011 cycle)

During the current quarter and the financial year to date, the Group reclassified telecommunication equipment inventories as property, plant and equipment with the intention of the assets are held for use in supply of goods or services as the assets are expected to be used during more than one period.

The results and impact of the changes in line with the amendment to MFRS 116 is as follows:

	As at 31 December 2012			As at 1 January 2012		
	As previously reported RM'000	Amendment to MFRS 116 RM'000	As restated RM'000	As previously reported RM'000	Amendment to MFRS 116 RM'000	As restated RM'000
Consolidated statement of financial position						
Property, plant and equipment	16,585,314	325,044	16,910,358	16,161,531	229,652	16,391,183
Inventories	381,499	(325,044)	56,455	341,837	(229,652)	112,185

3. Seasonal or Cyclical Factors

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

4. Significant Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The Group's performance for the current quarter and financial period to date has taken into account the following:

(a) On 19 February 2013, the Group completed the acquisition of Smart Axiata Co Ltd [formerly known as Latelz Cambodia Limited] ("Smart") as disclosed in Part A, 12 (b) of this announcement for a total cash consideration of RM483.3 million (USD156.0 million);

During the financial year to date, the Group made cash payment of RM494.8 million (USD161.7 million) and a total goodwill of RM169.9 million (USD54.2 million) [which is subject to further adjustments as at the date of completion] was recognised in conjunction with the above acquisition;

(b) On 13 July 2010, Axiata Investment (Labuan) Limited ("AIL") entered into an agreement to dispose-off its 89.00% equity interest from its subsidiary Multinet Pakistan (Private) Limited to the existing shareholder in Pakistan. However as at 31 December 2013, the Group resolved not to divest its investment on revisiting its overall business plans. Accordingly, the investment was reclassified as a subsidiary of the Group; and

(c) During the current quarter and financial year to date, the Group recognised net foreign exchange losses of RM106.1 million and RM349.9 million respectively mainly arising from the revaluation of USD borrowings and payables.

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial year ended 31 December 2013.

5. Estimates

The preparation of interim audited financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There were no changes in estimates of amounts reported in prior financial years that may have a material effect in the current quarter and financial period to date.

In preparing the audited interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the sources of estimates uncertainty were consistent as those applied in the 2012 Audited Financial Statements.

6. Issues, Repurchases and Repayments of Debt and Equity Securities

(a) During the current quarter and financial year to date, the Company issued additional 3.5 million and 32.5 million new ordinary shares of RM1 each respectively at an exercise price of RM1.81, RM3.15, 3.45 and RM5.07 pursuant to the exercise of employee share option under Performance-Based Employee Share Option Scheme ("ESOS") and vesting of Restricted Share Awards ("RSA") under Axiata Share Scheme at issuance price of RM3.90, RM4.08, RM5.03 and RM5.20 being the fair value of the RSA issued.

The detail movement of the issued and paid-up capital and share premium reserve of the Company are as follows:

	Issued and fully paid-up ordinary shares of RM1 each	Share capital	Share premium	Total
	'000	RM'000	RM'000	RM'000
At 1 January 2013	8,508,209	8,508,209	2,094,125	10,602,334
Issuance of Performance-Based on ESOS Shares	9,551	9,551	27,365	36,916
Transferred from ESOS reserve upon exercise	-	-	9,707	9,707
As at 31 March 2013	8,517,760	8,517,760	2,131,197	10,648,957
Issuance of Performance-Based ESOS Shares	11,961	11,961	35,766	47,727
Transferred from ESOS reserve upon exercise	-	-	12,146	12,146
Share issue expenses	-	-	(197)	(197)
As at 30 June 2013	8,529,721	8,529,721	2,178,912	10,708,633
Issuance of shares under Axiata Share Scheme	7,487	7,487	21,522	29,009
Transferred from ESOS and RSA reserve upon exercise/vest	-	-	8,187	8,187
Share issue expenses	-	-	(16)	(16)
As at 30 September 2013	8,537,208	8,537,208	2,208,605	10,745,813
Issuance of shares under Axiata Share Scheme	3,455	3,455	8,129	11,584
Transferred from ESOS and RSA reserve upon exercise/vest	-	-	6,384	6,384
Share issue expenses	-	-	(42)	(42)
As at 31 December 2013	8,540,663	8,540,663	2,223,076	10,763,739

6. Issues, Repurchases and Repayments of Debt and Equity Securities (continued)

(b) During the financial year to the date, the Company offered ordinary shares of RM1 each of the Company under the Axiata Share Scheme to the eligible employees and Executive Directors of the Group as follows:

Date of offers	Number of ordinary shares offered '000
20 March 2013 23 August 2013	28,910 1,442
Total	**30,352**

Aside from the above, there were no other significant and unusual issues, repurchases and repayments of debt and equity securities during the financial year ended 31 December 2013.

7. Dividends

The Company paid dividends during the financial year as follows:

Date of payment	Description	Per ordinary share Sen	Total RM'000
14 June 2013	*Tax exempt dividend under single tier in respect of financial year ended 31 December 2012:* - final - special	 15 12	 1,279,305 1,023,444
10 October 2013	*Tax exempt dividend under single tier in respect of financial year ended 31 December 2013* - interim	 8	 682,976
			2,985,725

8. Segmental Information

For the financial year ended 31 December 2013

	Malaysia	Indonesia	Bangladesh	Sri Lanka	Others	Consolidation adjustments/ eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total operating revenue	8,018,256	6,443,313	1,822,587	1,543,578	676,243	-	18,503,977
Inter-segment*	(7,263)	(34,477)	(490)	(27,308)	(24,259)	(39,339)	(133,136)
External operating revenue	8,010,993	6,408,836	1,822,097	1,516,270	651,984	(39,339)	18,370,841
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	3,452,035	2,712,361	633,769	484,439	(8,403)	(3,078)	7,271,123
Interest income	107,532	32,866	42,107	2,758	140,897	(64,864)	261,296
Interest expense	(214,489)	(371,567)	(25,283)	(16,688)	(155,042)	62,340	(720,729)
Depreciation of property, plant and equipment ("PPE")	(733,129)	(1,801,946)	(251,993)	(280,309)	(80,379)	51,528	(3,096,228)
Amortisation of intangible assets	(125,508)	(34,878)	(73,656)	(19,294)	(4,750)	(7,705)	(265,791)
Joint ventures:							
- Share of results (net of tax)	(1,938)	7,267	-	-	-	-	5,329
Associates:							
- Share of results (net of tax)	5,681	-	-	(720)	265,862	-	270,823
- Loss on dilution of equity interests	-	-	-	-	-	(21,066)	(21,066)
Impairment of PPE, net of reversal	(4,094)	(8,151)	(6,040)	6,551	-	-	(11,734)
Other non-cash income/(expenses)	15,927	(118,081)	17,303	(22,172)	(55,487)	2,526	(159,984)
Taxation	(419,526)	(108,181)	(186,743)	(27,384)	(45,408)	(7,220)	(794,462)
Segment profit for the financial year	2,082,491	309,690	149,464	127,181	57,290	12,461	2,738,577

8. Segmental Information (continued)

For the financial year ended 31 December 2012

Restated	Malaysia	Indonesia	Bangladesh	Sri Lanka	Others	Consolidation adjustments/ eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total operating revenue	7,692,866	6,920,036	1,469,777	1,366,707	318,409	-	17,767,795
Inter-segment*	(8,381)	(45,884)	(311)	(28,327)	(1,237)	(32,038)	(116,178)
External operating revenue	7,684,485	6,874,152	1,469,466	1,338,380	317,172	(32,038)	17,651,617
EBITDA	3,360,237	3,315,155	455,842	437,434	(144,239)	68	7,424,497
Interest income	144,647	42,553	10,574	7,447	108,766	(51,642)	262,345
Interest expense	(247,016)	(287,208)	(70,234)	(15,870)	(147,340)	49,869	(717,799)
Depreciation of PPE	(838,778)	(1,737,418)	(218,674)	(255,511)	(32,111)	66,209	(3,016,283)
Amortisation of intangible assets	(84,251)	(23,873)	(53,914)	(5,636)	(444)	-	(168,118)
Joint ventures:							
- Share of results (net of tax)	(1,577)	-	-	-	-	-	(1,577)
Associates:							
- Share of results (net of tax)	6,995	-	-	(207)	228,162	-	234,950
- Loss on dilution of equity interests	-	-	-	-	-	(22,860)	(22,860)
Impairment of PPE, net of reversal	(86,990)	(5,708)	-	(15,556)	(45,975)	-	(154,229)
Other non-cash income/(expenses)	64,086	(63,631)	37,697	(55,379)	(63,673)	1,768	(79,132)
Taxation	(442,753)	(325,696)	(111,611)	47,711	(30,005)	(19,863)	(882,217)
Segment profit/(loss) for the financial year	1,874,600	914,174	49,680	144,433	(126,859)	23,549	2,879,577

* Inter-segment operating revenue has been eliminated at the respective segment operating revenue. The inter-segment operating revenue was entered into in the normal course of business and at prices available to third parties or at negotiated terms.

9. Valuation of Property, Plant and Equipment ("PPE")

The Group does not adopt a revaluation policy on its PPE.

10. Acquisitions of PPE

During the financial year to date, the Group acquired additional PPE amounting to RM3,993.2 million mainly for its telecommunication network equipment and capital work in progress.

11. Events after the Interim Period

On 29 January 2014, the Company announced the incorporation of Axiata Digital Services Sdn Bhd ("ADS"), a private company limited by shares, under the Companies Act, 1965.

ADS was incorporated with an authorised share capital of RM0.4 million divided into 400,000 shares of which its issued and paid-up share capital is RM2. The nature of business to be carried by ADS is as an investment holding company.

Other than the above, there is no other significant event after interim period that requires disclosure and/or adjustment as at 13 February 2014.

12. Effects of Changes in the Composition of the Group

(a) Disposal of 49.00% equity interest in Mobile Telecommunication Company of Esfahan ("MTCE")

On 18 May 2011, the Group entered into a Sale and Purchase Agreement ("SPA") with Telecommunication Company of Esfahan on the disposal of its entire shareholding in MTCE representing 49.00% of the total issued and paid-up share capital in MTCE. The disposal of MTCE was completed on 2 January 2013.

The disposal has no significant impact to the Group during the financial year to date.

(b) Acquisition by Axiata Investments (Cambodia) Limited ("AIC") of Glasswool Holdings Limited ("Glasswool")

On 13 December 2012, the Company and its wholly-owned subsidiary, AIC have entered into a SPA with Timeturns Holdings Limited for the acquisition of the entire ordinary shares in issue of Glasswool, which became the owner of the entire ordinary shares in issue of Smart in Cambodia ("Acquisition of Smart") upon completion of the Acquisition of Smart. Subsequently, it was the Group's intention to merge the operations of Hello Axiata Company Limited ("Hello") and Smart as one combined entity.

The acquisition was settled via a combination of cash considerations and a 10.00% stake in a combined entity to be held by the remaining partner. On 19 February 2013, the acquisition and the transfer of Hello's telecommunication business and assets were completed and Smart became a 90.00% owned subsidiary of the Group effectively.

(c) Acquisition of Sky Television and Radio Network (Private) Limited ("Sky TV")

Dialog Broadband Networks (Private) Limited ("DBN"), a wholly-owned subsidiary of Dialog Axiata PLC, had on 13 May 2013, completed acquisition of entire ordinary shares in issue of Sky TV at a consideration of SLR800.0 million (USD6.4 million). Following the completion of the acquisition, Sky would be amalgamated with DBN. The amalgamation of Sky TV with DBN was completed on 3 July 2013.

Acquisition of Sky TV was concluded as acquisition of asset and has no significant impact to the Group during the financial year to date.

12. Effects of Changes in the Composition of the Group (continued)

(d) Incorporation of PT XL Planet Digital ("XLJV")

On 16 May 2013, PT XL Axiata Tbk ("XL") entered into an agreement with SK Planet Co Ltd ("SKP") and SK Planet Global Holdings Pte Ltd ("SKGH") whereby SKP and XL agreed to enter into a joint venture arrangement by incorporating a new limited liability company ("NewCo") to develop an e-commerce platform to provide an online multi-category open market place for the sales of physical goods and services in Indonesia via the internet. The agreement stipulates that SKGH and XL were to contribute IDR equivalent of RM58.3 million (USD18.3 million) each for the initial share capital and respectively hold 50.00% of the total share capital of the NewCo. In accordance with the agreement, SKGH and XL have also committed to access the market conditions up to 2015 and contribute additional share capital based on the conditions stated in the agreement. The NewCo having the name, XLJV, was incorporated under Deed of Establishment No. 9 dated 8 July 2013. Effectively, XLJV became a jointly controlled entity of the Group.

The incorporation of XLJV has no significant impact to the Group during the financial year to date.

(e) Increase on equity interest in Robi Axiata Limited ("Robi")

During the current quarter and financial year to date, the Registrar of Joint Stock Companies and Firms approved the new allotment of shares by Robi with the date of allotment on 28 July 2013. The new allotment was satisfied via the capitalisation of RM986.7 million (USD321.0 million) convertible shareholder's advance by AIL. Accordingly, the Group's equity interest increased from 70.00% to 91.59%.

The Group recorded an increase in retained earnings arising from the transaction with NCI amounting to RM51.8 million.

(f) Dilution on equity interest in M1 Limited ("M1")

During the financial year to date, the Group's equity interest in M1, held through Axiata Investments (Singapore) Limited, a wholly owned subsidiary of the Company, decreased from 29.06% to 28.74% respectively following the issuance of new ordinary shares under M1's ESOS.

The dilution has no significant impact to the Group during the financial year to date.

(g) Dilution on equity interest in Idea Cellular Limited ("Idea")

During the financial year to date, the Group's equity interest in Idea, decreased from 19.93% to 19.90% following the issuance of new ordinary shares under Idea's ESOS.

The dilution has no significant impact to the Group during the financial year to date.

(h) Dilution on equity interest in Samart I-Mobile Company Limited ("SIM")

During the current quarter and financial year to date, the Group's equity interest in SIM, decreased from 24.40% to 24.08% following the issuance of new ordinary shares under SIM's warrants.

The dilution has no significant impact to the Group during the quarter and financial year to date.

12. Effects of Changes in the Composition of the Group (continued)

(i) Dilution on equity interest in XL

During the financial year to date, the Group's equity interest in XL, decreased from 66.55% to 66.48% following the issuance of new ordinary shares under XL's Shares Based Compensation Scheme.

The dilution has no significant impact to the Group during the financial year to date.

There were no other changes in the composition of the Group for the financial year ended 31 December 2013.

13. Significant Changes in Contingent Assets or Contingent Liabilities

(a) There has been no significant change in contingent assets or contingent liabilities of subsidiaries from that disclosed in the 2012 Audited Financial Statements.

(b) As at 31 December 2013, the Group share of associate, Idea's contingent liabilities relating to excess spectrum charges, taxes notices, custom duties and demands under adjudication, appeal or disputes amounting to approximately RM978.0 million (2012: RM586.2 million).

14. Capital Commitments

PPE	Group	
	As at 31/12/2013	As at 31/12/2012
	RM'000	RM'000
• Commitments in respect of expenditure approved and contracted for	**1,669,688**	2,169,117
• Commitments in respect of expenditure approved but not contracted for	**2,109,050**	966,511

15. Financial Instruments At Fair Value Measurement

The Group's financial instruments that were measured at fair value as at reporting date were as follow:

- Derivative financial instruments (assets and liabilities); and
- Trading securities

The Group measured the financial instruments based on published price quotations (Level 1) and market approach valuation technique (Level 2) with inputs of valuation technique such as interest rates and yield curves observable at commonly quoted intervals; implied volatilities; and credit spreads that are observable directly or indirectly as at reporting date.

The Group's financial derivative financial instruments as at 31 December 2013 were grouped as below:

Derivative Financial Instruments	Level 1	Level 2	Total
	RM'000	RM'000	RM'000
Assets			
Financial assets at fair value through profit or loss			
- Trading securities	8	-	8
- Non-hedging derivatives	-	223,972	223,972
- Derivatives used for hedging	-	14,588	14,588
Liabilities			
- Non-hedging derivatives	-	(14,127)	(14,127)
- Derivatives used for hedging	-	(95,257)	(95,257)
Total	**8**	**129,176**	**129,184**

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. **Review of Performance**

(a) Quarter-on-Quarter

The Group continued to deliver continuous revenue growth of 1.4% to RM4,512.3 million in the current quarter ("Q4'13") from RM4,448.8 million recorded in the same quarter last year ("Q4'12"), on the back of consistent higher revenue contribution from all key Operating Companies ("OpCo") except Indonesia. Group registered slightly lower revenue growth of 1.3% with constant currency. Operating costs of the Group increased by 5.6% to RM2,802.4 million in Q4'13 from RM2,654.5 million in Q4'12, mainly driven by Malaysia, Bangladesh and Cambodia. As a result, Group EBITDA decreased by 4.7% quarter-on-quarter with margin at 37.9%, a decline of 2.4 percentage points mainly from dropped in Indonesia operations. Profit After Tax ("PAT") in the period decreased by 10.8% to RM586.3 million due to lower EBITDA contribution and higher foreign exchange losses in Indonesia as a result of USD appreciation against IDR, off-set partly by higher profit performance from Malaysia, Sri Lanka and Cambodia in Q4'13. Indonesia performance and contribution to Group results was affected by intense market competition and significant drop of IDR value vs RM quarter on quarter, -13.5%. Excluding Indonesia, the Group performance would have registered strong growth at all key lines of revenue, EBITDA and PAT.

Malaysia gross revenue grew 2.3% in Q4'13 mainly coming from broadband revenue which continued to show an uptrend quarter-on-quarter, increased 17.9% driven by its growing broadband subscribers base of 17.1%, and contributing 14.6% to total revenue. In Q4'13, Malaysia operating costs grew 4.5% mainly from higher content provider charges and interconnect cost. Consequently, EBITDA in the period showed decrease of 0.6% with margin declining 1.3 percentage points to 41.6%. In Q4'13, Malaysia PAT posted a double-digit growth of 18.6% to RM515.0 million as compared to RM434.2 million in prior year quarter, mainly flowing from the lower depreciation, amortisation and impairment recorded in the current quarter.

Gross revenue of Indonesia decreased by 11% quarter-on-quarter mainly due to unfavourable translation impact of weakening IDR against RM in the current quarter. At constant currency, Indonesia revenue would record a lower decline of 6.6% from its operation, lower voice -2.9% and SMS -1.1% revenue, affected by lower blended ARPU and RPM of 23.5% and 4.9% respectively. The decline in voice and SMS trend was cushioned by healthy growth in data revenue of 22.7% quarter-on-quarter and data now contributing 19% to total revenue as compared to 16% in Q4'12. In Q4'13, Indonesia operating costs decreased by 6.7% mainly due to lower interconnect and marketing cost, off-set by increase in network cost from network implementation with 13.9% increase in base transmission sites quarter-on-quarter. As a result, EBITDA in the period decreased by 15.9% with margin dipped by 2.5 percentage points to 42.6%. Further strengthening of USD against IDR in the current quarter resulted in foreign exchange losses of RM108.3 million and adversely affected the PAT performance, resulting in negative growth of 86.1% to RM24.9 million. Normalised for forex, PAT in the quarter would have recorded lower decline of 42.3%.

1. Review of Performance (continued)

(a) Quarter-on-Quarter (continued)

Bangladesh gross revenue registered a strong growth of 18.1% mainly from prepaid revenue at the back of a 19.1% increase in prepaid revenue generating subscriber base and higher interconnect revenue. In the current quarter, Bangladesh operating costs grew 45.2% mainly due to higher marketing and interconnect cost and higher subscriber acquisition costs driven by higher lifting of SIM cards in Q4'13. EBITDA in Q4'13 subsequently decreased to RM121.7 million from RM155.8 million in Q4'12 and margin adversely impacted by 13.7 percentage points to 26.7%. PAT posted a decrease of 95.5% to RM2.8 million in Q4'13, from RM62.4 million in Q4'12, mainly affected by the decline in EBITDA, higher depreciation, amortisation and impairment and lower foreign exchange gain recorded, off-set by lower taxation in the current quarter.

Sri Lanka gross revenue grew 13.6% quarter-on-quarter mainly attributed to its mobile segment, which increased by 15.6% mainly from higher prepaid revenue, grew 11.5% in tandem with the 11.2% increase in prepaid revenue generating subscribers base and from higher broadband revenue. Fixed line, tele-infrastructure and television segment also showed positive improvement, growing by 3.0%, 15.2% and 23.0% respectively. The international segment registered a decline of 10.0% due to decrease in termination revenue from lower termination minutes. Sri Lanka operating costs increased by 13.4% driven by higher international business related cost, bad debts provision and overheads cost. In the current quarter, EBITDA grew 14.1% contributed by higher revenue and continuous stringent cost management initiatives. PAT in the period registered a strong growth of 27.5% to RM27.5 million as a result of higher EBITDA and lower depreciation, amortisation and impairment.

Cambodia gross revenue grew significantly by 259.4% quarter-on-quarter, now contributing 3% to total Group revenue in Q4'13 as compared to 1% in prior quarter, reflecting the consolidation results of Smart into Cambodia operations since Q1'13. Prepaid revenue segment remained the major revenue contributor, contributing 74% of total gross revenue in Q4'13, consistent with the increase in prepaid revenue generating subscriber base from 0.8 million in Q4'12 to 3.4 million in Q4'13, with growth of more than 100%. Operating costs in the current quarter grew 166.6%. With strong revenue traction versus cost, Cambodia EBITDA and PAT registered excellent growth of 611.5% and 283.2% respectively in Q4'13.

Other segment consist of other subsidiaries and profit contribution from associates and jointly controlled entities, has a revenue contribution of RM51.3 million to total Group revenue in Q4'13. For the current period, associates and jointly controlled entities contribution in share of profit in Q4'13 increased to RM71.7 million from RM61.8 million in prior quarter, mainly due to higher share of contribution in Singapore and Thailand in the current quarter. India standalone performance recorded double-digit growth in revenue, EBITDA and PAT.

1. Review of Performance (continued)

(b) Year-on-Year

For the financial year ended 31 December 2013 ("FY2013"), Group revenue posted a growth of 4.1% to RM18,370.8 million against RM17,651.6 million recorded last year, on the back of higher revenue contribution from all key Operating Companies ("OpCo") except Indonesia. At constant currency, revenue would have registered a stronger growth of 6.7%. Operating costs of the Group increased by 8.5% to RM11,099.7 million year-on-year from RM10,227.1 million driven by Malaysia, Bangladesh and Cambodia operations. Higher increase in cost against revenue in Indonesia mainly from aggressive data investment costs had adversely impacted Group EBITDA performance, resulted in decrease of 2.1% year-on-year and margin dipped by 2.5 percentage points to 39.6%. PAT in the year decreased by 4.9% to RM2,738.6 million, mainly from lower profit contribution in Indonesia operations affected by lower EBITDA and higher foreign exchange losses, partly off-set by increased profit contribution from Malaysia, Bangladesh and Cambodia operations. Indonesia performance and contribution to Group results was affected by intense market competition and a fall of 8.2% in the Rupiah against RM year-on-year. Excluding Indonesia, the Group performance would have registered significantly strong double digit growth at all key lines of revenue, EBITDA and PAT.

Malaysia gross revenue grew 4.2% during the year mostly driven by higher revenue from broadband and sales of devices. Malaysia broadband revenue continued to show strong positive traction, with growth of 18.3% year-on-year and contributing 13.7% to total revenue while device sales revenue increased by 61.9%. During the year, Malaysia operating costs increased by 5.4% with major increase attributed to content provider charges and manpower cost. EBITDA consequently grew 2.7% but margin declined by 0.6 percentage points to 43.1%. PAT for the financial year posted a double-digit growth of 11.1% to RM2,082.5 million mainly from improved business results with lower depreciation, amortisation and impairment and lower taxation due to adjustment of prior years' over-provision of tax in FY2013.

Gross revenue from Indonesia decreased by 6.9% to RM6,443.3 million from RM6,920.0 million last year mainly due to lower translated results as a result of strengthening RM against IDR. At constant currency, Indonesia would have registered revenue growth of 1.4% year-on-year. Data revenue increased by 16.4% and contributed 18% towards total revenue from 16% a year ago. Revenue from voice and SMS however showed decline of 7.5% and 4.0% respectively affected by decrease in blended ARPU of 12.9%. In FY2013, operating costs increased by 3.5% mainly from higher interconnect cost arising from imposition of SMS interconnect fees regulation in late second quarter of last year and also aggressive network implementation cost. As a result, EBITDA subsequently decrease by 18.2% in the current year and margin dipped by 5.8 percentage points to 42.1%. Significant foreign exchange losses of RM314.3 million coupled with the lower EBITDA contribution, has adversely affected PAT growth, decreased by 66.1% to RM309.7 million from RM914.2 million last year. Normalised for forex, PAT in the year would have declined lower by 45.0%.

1. **Review of Performance (continued)**

(b) Year-on-Year (continued)

Bangladesh gross revenue registered a strong double digit growth of 24.0% mainly from prepaid, interconnect and postpaid revenue, which increased by 15.8%, 13.6% and 16.6% respectively. Growth in revenue is mainly due to both subscriber acquisition campaign and retention programmes, both resulted in 19.0% increase in revenue generating base subscribers. In FY2013, Bangladesh operating costs increased by 17.2% mainly from higher marketing and interconnect cost, off-set by lower other direct cost resulted from one-off prior years SIM tax of RM68.6 million included in the prior year. With strong revenue growth, EBITDA for the current year continue to generate excellent growth of 39.0% and margin is at 34.8%, up 3.8 percentage points. PAT improved significantly to RM149.5 million as compared to RM49.7 million in prior year, on the back of the higher EBITDA and net finance income in the current year.

Sri Lanka gross revenue grew double-digit by 13% led by growth across all segments, in particular from mobile and international segments. Mobile revenue grew 11.9% driven by growth in prepaid revenue from 11.2% increase in prepaid revenue generating subscribers base while prepaid net additions and ARPU increased by 9.0% and 6.4% respectively, and from higher broadband revenue. International segment registered a growth of 10.0% driven by increase in termination and transit revenue aided by growth in both termination and transit minutes. Fixed line revenue increased by 17.2% driven by strong organic growth and from consolidation of Suntel Ltd, whilst tele-infrastructure and television revenue grew 14.2% and 20.7% respectively. Sri Lanka operating costs increased by 14.0% mainly from higher international business related cost, network and manpower cost. EBITDA in the financial year grew 10.7% as a result of continuous aggressive cost management initiatives. Sri Lanka PAT however registered a lower growth of 11.9% to RM127.2 million from RM144.4 million in FY2012 mainly due to one-off reversal of deferred tax liability in the prior year from change of tax policy.

Cambodia gross revenue grew significantly by 206.6% year-on-year, now contributing 2% to total Group revenue in the current year as compared to 1% in prior year, reflecting the consolidation of Smart into Cambodia operations since Q1'13. Prepaid revenue remained the major revenue contributor, contributing 73% of total gross revenue in FY2013, consistent with increase in prepaid revenue generating subscriber base from 0.8 million in prior year to 3.4 million in current year. Operating costs for the financial year grew 132.3%. With stronger revenue traction against cost, Cambodia EBITDA and PAT as a result registered excellent growth of 655.3% and 182.5% respectively for the current year versus prior year.

Other segment consist of other subsidiaries and profit contribution from associates and jointly controlled entities, has a revenue contribution of RM216.7 million to total Group revenue. In FY2013, associates and jointly controlled entities contribution in share of profit increased to RM255.1 million from RM210.5 million in prior year mainly due to higher share of profit contribution in Thailand, India and Singapore.

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Result

Group revenue decreased by 5.0% to RM4,512.3 million recorded in current quarter ("Q4'13") from RM4,747.3 million in the third quarter 2013 ("Q3'13"), with major revenue decrease coming from Indonesia both from operations and forex impact. At constant currency, Group revenue registered a lower decrease of 1.1%. The Group operating costs decreased by 1.0% to RM2,802.4 million in Q4'13 mainly coming from Indonesia operations. Group EBITDA decreased by 10.8% to RM1,709.9 million and margin is at 37.9%, decreased by 2.5 percentage points versus preceding quarter. PAT in the current quarter decreased by 23.8% to RM586.3 million mainly from lower profit contribution from Malaysia, Indonesia and Bangladesh. Excluding Indonesia, the Group performance would have registered better performance at all key lines of revenue, EBITDA and PAT.

Malaysia gross revenue decreased marginally by 0.2% in Q4'13 mainly contributed by lower revenue from sales of devices, mitigated by higher postpaid, data and broadband revenue. Total subscribers base in current quarter registered growth of 3.6% as compared to preceding quarter, while broadband subscribers continued to achieve positive momentum, increased by 4.4% in Q4'13 which resulted in 3.9% growth in broadband revenue and contributing 14.6% to total revenue. For the current quarter, operating costs increased by 2.8% compared to Q3'13, mainly attributed to higher interconnect cost, support and overhead expenses, content provider charges and bad debt provision. EBITDA of Malaysia operations registered a lower growth of 4.0% with margin drop of 1.7 percentage points to 41.6%. Consequently, PAT in the current quarter decreased by 13.3% to RM515.0 million mainly from lower EBITDA and higher taxation recorded.

Indonesia gross revenue decreased by 11.8% in Q4'13 mainly affected by lower translated results arising from strengthening RM against IDR by 10.1%. Aside from translated results, are also attributed to lower voice and SMS revenue which decreased by 0.9% and 7.1% respectively affected by decrease in blended ARPU and MOU of 7.4% and 4.1% respectively, off-set by data revenue increment of 5.8%. At constant currency, Indonesia revenue would register a lower decline of 1.6%. In the current quarter, operating costs decreased by 12.6% mainly due to lower marketing and interconnect cost, off-set by higher network cost with 5.0% increase in base transmission sites by preceding quarter comparison. Consequently, EBITDA in the current quarter decreased by 10.9% and PAT declined substantially by 66.6% to RM24.9 million in Q4'13 against RM74.4 million in preceding quarter, impacted mainly by the lower EBITDA and prior quarter one-off gain from foreign exchange forward contracts.

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Result

Bangladesh reported a decline in its gross revenue growth of 6.5% versus preceding quarter mainly due to its prepaid revenue, which decreased by 6.0% arising mainly from political unrest situation in Bangladesh and marketing campaigns, while interconnect revenue decreased by 10.0% impacted by 28% decline in international incoming traffic. Voice revenue registered drop of 8.6% from lower blended voice ARPU and APPM, but revenue from data and SMS registered growth of 49.3% and 9.0% respectively, with data usage volume increasing by 36% driven mainly by data marketing campaigns. In the current quarter, Bangladesh operating costs increased by 14.5% mainly due to higher subscriber acquisition costs driven by higher lifting of SIM cards in Q4'13. EBITDA posted a decrease of 37.9% versus preceding quarter with PAT subsequently impacted, decreased by 95.3% to RM2.8 million in current quarter.

Sri Lanka gross revenue grew 0.8% versus preceding quarter contributed mainly from its mobile segment which grew 4.4%, resulted from higher broadband and prepaid revenue which increased by 11.5% and 0.8% respectively. Growth in broadband revenue was driven by 23% growth in broadband subscribers. Fixed line, tele-infrastructure and television segment also showed positive improvement, growing by 0.1%, 6.0% and 7.7% respectively. The international segment however registered a lower growth of 10.0% driven by decrease in termination and transit revenue from lower termination and transit minutes. Sri Lanka operating costs increased by 6.5% mainly from higher regulatory cost, devices cost and bad debts provision. EBITDA subsequently decreased by 10.9% in the current quarter and Sri Lanka registered lower PAT of RM27.5 million in Q4'13 compared to a higher RM37.6 million in Q3'13, mainly attributed to the lower EBITDA and higher depreciation, amortisation and impairment, off-set by foreign exchange gain recorded in Q4'13 as compared to loss in preceding quarter.

Cambodia gross revenue grew 10.9% in Q4'13 mainly from prepaid revenue which increased by 11.5% versus Q3'13. Operating costs decreased by 2.7% compared to Q3'13 mainly arising from lower network and marketing costs. EBITDA subsequently grew 38.3% and PAT increased significantly by 302.1% versus preceding quarter mainly flowing from the higher EBITDA and net finance income recorded in Q4'13.

Other segment consist of other subsidiaries and profit contribution from associates and jointly controlled entities, has a revenue contribution of RM51.3 million to total Group revenue in Q4'13. For the current period, associates and jointly controlled entities contribution in share of profit increased to RM71.7 million in Q4'13 from RM52.0 million in Q3'13 mainly due to higher share of profit contribution in India and Singapore in Q4'13 as compared to preceding quarter.

1. Review of Performance (continued)

(d) Economic Profit ("EP") Statement

	4th Quarter Ended		Financial Year Ended	
	31/12/2013	31/12/2012	**31/12/2013**	31/12/2012
	RM'000	RM'000	**RM'000**	RM'000
EBIT*	866,177	888,220	3,891,856	4,042,794
Less: Adjusted Tax (25%)	(216,544)	(222,055)	(972,964)	(1,010,699)
NOPLAT	649,633	666,165	2,918,892	3,032,095
AIC	15,422,589	14,612,145	15,422,589	14,612,145
WACC	8.54%	7.39%	8.54%	7.39%
Economic Charge (AIC*WACC)	329,272	269,959	1,317,089	1,079,838
Economic Profit	320,361	396,206	1,601,803	1,952,257

The EP Statement is as prescribed under the Government Linked Companies Transformation Program and it is disclosed on a voluntary basis.

EP is a yardstick to measure shareholder value as it provides a more accurate picture of underlying economic performance of the Group vis-à-vis its financial accounting reports, i.e. it explains how much return a business generates over its cost of capital. This can be measured from the difference of NOPLAT and Economic Charge.

The Group reported a higher AIC and WACC during the current quarter and financial year to date due to higher capital investment by the Group and higher cost of equity resulted from higher market risk premium.

The factor contributing to lower EP during the current quarter is mainly arising from higher Economic Charge during the current quarter.

The factor contributing to lower EP during the financial year to date is arising from lower NOPLAT resulted from higher expenses incurred by the Group as disclosed in Part B, 1(a) of this announcement with higher Economic Charge during the current quarter and financial year to date.

Note:

EBIT = Earnings Before Interest & Taxes, excluding derivative financial instruments gains/(losses), certain non operational and one-off items as well as foreign exchange differences on financing activities.

NOPLAT= Net Operating Profit/(Loss) After Tax

AIC = Average Invested Capital, consists of average operating capital, average net PPE and average net other operating assets.

WACC = Weighted Average Cost of Capital is calculated as weighted average cost of debts and equity taking into account the proportion of debt position and market capitalisation as at end of the period.

2. Headline Key Performance Indicators ("KPIs") for the financial year ended 31 December 2013

On 21 February 2013, the Group announced its Headline KPIs guidance for the financial year ending 31 December 2013. Based on financial year ended 31 December 2013 Group's performance, the Board of Directors is pleased to announce that the Group's full year actual KPIs achievements are as follows:

Headline KPIs	FY2013 Headline KPIs (%)	FY2013 Achievement at Constant Currency
Revenue Growth	7.6	6.7
EBITDA Growth	0.2	0.6
Return on Invested Capital ("ROIC")	10.3	10.7
Return on Capital Employed ("ROCE")	8.3	8.6

Group exceeded KPI targets (except revenue) at constant currency, amidst challenging market condition and intense competition for financial year ended 31 December 2013. Moderate revenue growth at 6.7% year-on-year, EBITDA exceeded target at 0.6% with careful cost management and execution in new business and investments, ROIC and ROCE exceeded target at 10.7% and 8.6% respectively.

The Group actual results, despite excellent performance by most operating companies, was impacted by XL business operations coupled with adverse forex translation impact of IDR results to RM during the year. Group KPI based on actual results are the following: Revenue growth +4.1%, negative EBITDA growth -2.1%, ROIC of 10.7% and ROCE of 8.6%.

Moving forward, the Group will remain focused on its long-term transformation strategy which includes new approach to current business and continue to invest aggressively in data and related services. We will also review and improve our cost structure and forex mitigation strategy in order to optimize our financial performance.

3. Variance of Actual Profit from Forecast Profit / Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document in respect of the financial year ended 31 December 2013.

4. Taxation

The taxation charge for the Group comprises:

	4th Quarter Ended		Financial Year Ended	
	31/12/2013	31/12/2012	**31/12/2013**	31/12/2012
	RM'000	RM'000	**RM'000**	RM'000
Income Tax:				
Malaysia				
Current year	(130,657)	(190,398)	(478,484)	(524,596)
Prior year	29,690	61,998	147,619	91,344
	(100,967)	(128,400)	(330,865)	(433,252)
Overseas				
Current year	(17,125)	(43,252)	(298,968)	(278,297)
Prior year	(12,777)	-	(11,183)	103
	(29,902)	(43,252)	(310,151)	(278,194)
Deferred Tax (net):				
Originating and reversal of temporary differences	(870)	(34,906)	(144,946)	(162,271)
Total taxation	(131,739)	(206,558)	(785,962)	(873,717)
Zakat	(8,500)	(8,500)	(8,500)	(8,500)
Total taxation and zakat	(140,239)	(215,058)	(794,462)	(882,217)

The current quarter and year to date effective tax rate for the Group is lower than the statutory tax rate mainly arising from adjustment on over accrual of income taxation in previous financial years and utilisation of investment tax credit by a subsidiary of the Group.

5. Status of Corporate Proposals

(a) Proposed acquisition of PT Axis Telekom Indonesia ("Axis")

XL has on 26 September 2013 entered into a conditional sale and purchase agreement ("SPA") with Saudi Telecom Company ("STC") and Teleglobal Investments B.V. ("Teleglobal"), a 100.0% owned subsidiary of STC, to purchase (or procure the purchase of) the entire issued and paid up share capital of Axis for a cash consideration of USD100 or RM323. As part of the consideration, XL will procure the repayment of approximately USD865.0 million (equivalent to approximately RM2,792.7 million) of Axis' indebtedness.

The proposed acquisition is conditional upon the conditions set out in the SPA being fulfilled or waived. These include regulatory approvals which are beyond the control of Teleglobal, STC and XL. As such, the proposed acquisition may not be completed if any of the conditions are not fulfilled or waived.

XL had on 29 November 2013 received the written approval from the Ministry of Communications and Informatics of Indonesia for the Proposed Acquisition, which would result in the merger of XL and Axis.

XL had on 5 February 2014 received the approval from its shareholders for the Proposed Acquisition and the merger plan of XL and Axis.

In accordance to the requirements of the Law No 40 Year 2007 (Company Law of Indonesia), XL will be required to buy-back XL shares from any XL shareholder who disapproved the merger plan at the Extraordinary General Meeting of Shareholders held on 5 February 2014. The buy-back price has been determined at IDR5,280 per XL share, being the higher of the average market price and the fair price determined by an appraiser.

Based on the maximum number of shareholders having disapproved the merger plan (holding approximately 237.2 million XL shares, representing 3.0% of the XL shares held by the shareholders present and voting) and assuming that all such shareholders elect to sell their XL shares, the maximum buy-back cost to XL would be approximately IDR1,252.6 billion (equivalent to approximately RM342.8 million). The buy-back amount would not materially affect the Group and would increase the percentage ratio for the Proposed Acquisition from 13.9% to 15.6%.

The approval includes the condition for the return of 2x10 MHz of the 2.1 GHz (3G) spectrum license to the Government of Indonesia.

As of 13 February 2014, other than the above, there is no other corporate proposal announced but not completed.

6. Group's Borrowings and Debt Securities

(a) Breakdown of the Group's borrowings and debt securities as at 31 December were as follows:

	2013		2012	
	Current	**Non-current**	Current	Non-current
	RM'000	**RM'000**	RM'000	RM'000
Secured	203,490	279,846	191,468	373,388
Unsecured	933,255	12,019,784	1,700,903	10,392,303
Total	**1,136,745**	**12,299,630**	1,892,371	10,765,691

(b) Foreign currency borrowings and debt securities in RM equivalent as at 31 December were as follows:

Foreign Currencies	**2013**	2012
	RM'000	RM'000
USD	4,446,286	3,453,919
IDR	3,346,512	3,649,993
CNY	547,244	492,323
BDT	22,058	26,557
SLR	10,399	5,352
PKR	28,095	-
Total	**8,400,594**	7,628,144

7. Outstanding derivatives

(a) The detail of the Group's outstanding net derivatives financial instruments as at 31 December are set out as follows:

Type of derivatives financial instruments	2013 Notional Value	2013 Fair Value Favourable/ (Unfavourable)	2012 Notional Value	2012 Fair Value Favourable/ (Unfavourable)
	RM'000	**RM'000**	RM'000	RM'000
Forward foreign currency contracts:				
- 1 – 3 years	254,575	64,702	354,856	17,423
Cross currency interest rate swaps:				
- < 1 year	-	-	223,988	22,087
- 1 – 3 years	1,729,520	129,048	1,252,075	8,687
- > 3 years	1,153,075	(54,231)	918,450	(175,476)
Interest rate swaps contracts:				
- 1 – 3 years	647,161	(14,127)	442,862	(14,977)
Convertible warrants in an associate:				
- > 3 years	-	3,784	-	3,783
Total		**129,176**		(138,473)

(b) The risks associated with the derivative financial instruments and the policies in place for mitigating such risks were disclosed in the 2012 Audited Financial Statements.

8. Fair value changes of financial liabilities

The Group recognised a total net (losses)/gains in the consolidated profit or loss arising from the fair value changes on the derivative financial instruments liabilities which are marked to market as at date of statement of financial position are as follows:

	4th Quarter Ended		**Financial Year Ended**	
	31/12/2013	31/12/2012	**31/12/2013**	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Total net (losses)/ gains	(15,194)	1,374	(17,812)	15,469

9. Realised and Unrealised Profits or Losses Disclosure

	As at	
	31/12/2013	31/12/2012
	RM'000	RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	10,138,985	10,975,875
- Unrealised	(1,256,195)	(1,211,185)
	8,882,790	9,764,690
Total retained profits/(accumulated losses) from associated companies:		
- Realised	1,136,282	799,449
- Unrealised	(180,891)	(93,492)
	955,391	705,957
Total accumulated losses from joint ventures entities:		
- Realised	3,752	(1,577)
	3,752	(1,577)
Less : Consolidation adjustments	(519,173)	(769,268)
Total Consolidated Retained Profits	9,322,760	9,699,802

10. Material Litigation

The status of material litigation of the Group is as follows:

(a) Celcom Trading Sdn Bhd (formerly known as Rego Multi-Trades Sdn Bhd) ("Celcom Trading") vs Aras Capital Sdn Bhd ("Aras Capital") & Tan Sri Dato' Tajudin Ramli ("TSDTR")

In 2005, Celcom Trading, a wholly-owned subsidiary of Celcom, commenced proceedings against Aras Capital and TSDTR for amounts due to Celcom Trading of RM261.8 million as at 30 November 2004 pursuant to an investment agreement with Aras Capital and an indemnity letter given by TSDTR. TSDTR filed its defence and instituted a counterclaim of RM100.0 million against Celcom Trading, Celcom Resources Berhad (formerly known as Technology Resources Industries Berhad) ("Celcom Resources") and its directors to void and rescind the indemnity letter and claim damages. Celcom Trading, Celcom Resources and the directors filed their respective applications to strike out TSDTR's counterclaim, which were dismissed by the Court. The directors appealed and the same was dismissed on 16 October 2012.The Court allowed the parties' application to amend the pleadings on 13 May 2013. The matter is now fixed for further case management on 4 March 2014 in preparation for the trial.

10. Material Litigation (continued)

(b) Celcom & Another vs TSDTR & 6 Others

On 24 October 2008, Celcom and Celcom Resources filed a Writ of Summons and Statement of Claim against the former directors of Celcom/Celcom Resources, namely (i) TSDTR, (ii) Bistaman Ramli ("BR"), (iii) Dato' Lim Kheng Yew ("DLKY"), (iv) Axel Hass ("AH"), (v) Oliver Tim Axmann ("OTA"). In the Writ of Summons, Celcom and Celcom Resources also named DeTeAsia Holding GmbH ("DeTeAsia") and Beringin Murni Sdn Bhd ("BM") as co-defendants (collectively with the former directors referred to as "Defendants"). Celcom and Celcom Resources are seeking damages for conspiracy against the Defendants.

Celcom and Celcom Resources claim that the Defendants wrongfully and unlawfully conspired with each other to injure Celcom and Celcom Resources by causing and/or committing them to enter into the Supplemental Agreement to the Subscription Agreement and the Management Agreement dated 7 February 2002 ("Supplemental Agreement") and the Amended and Restated Supplemental Agreement ("ARSA") dated 4 April 2002 with DeTeAsia in consideration for the renunciation by DeTeAsia of certain rights issue shares in Celcom Resources in favour of TSDTR and BR.

TSDTR and BR filed an application to strike out the Writ of Summons. On 17 July 2009, the Court dismissed TSDTR and BR's striking out application with costs. TSDTR and BR filed an appeal to the Court of Appeal. The appeal was heard on 25 June 2012 and 14 August 2012. The Court of Appeal fixed the appeal for continued hearing on 28 November 2012.

DeTeAsia, AH and OTA have filed their respective Memorandum of Conditional Appearance and application to strike out these proceedings. On 25 October 2010, the Court dismissed the said application respectively and on 28 October 2010 AH, OTA and DeTeAsia filed their respective appeals to Court of Appeal against the High Court decision. The appeals were heard on 25 June 2012 and 14 August 2012 and fixed for continued hearing on 28 November 2012.

Subsequently, the Court of Appeal vacated both appeals and at the hearing fixed on 27 June 2013, the Court of Appeal heard the parties' submissions and reserved its decision to a date to be fixed. Meanwhile, this matter has been fixed for further case management in the High Court on 18 February 2014 pending outcome of the appeals.

(c) Celcom & Another vs TSDTR & 8 Others

In connection with the Award in DeTeAsia's favour in August 2005, Celcom and Celcom Resources instituted proceedings against 9 of its former directors alleging that they had breached their fiduciary duties in entering into a Subscription Agreement on its behalf on 25 June 1996 with Deutsche Telekom AG ("Subscription Agreement"), and the ARSA whilst they were directors of Celcom and Celcom Resources. In addition, Celcom and Celcom Resources have also made a claim against TSDTR for alleged unauthorised profits made by him in connection with the execution of the abovementioned agreements. Celcom and Celcom Resources are seeking an indemnity from the directors for the sums paid by Celcom to DeTeAsia in satisfaction of the Award against it, return of the alleged unauthorised profits by TSDTR amounting to RM446.0 million, all monies received by the directors arising out of such breaches, losses and damages in connection with the entry of Celcom and Celcom Resources into the Subscription Agreement and the ARSA.

TSDTR and BR filed an application to strike out the proceedings. On 6 February 2009, the Court dismissed TSDTR and BR's striking out application with costs. TSDTR and BR filed an appeal to the Court of Appeal. The appeal was heard on 25 June 2012 and on 14 August 2012. The Court of Appeal fixed the appeal for continued hearing on 28 November 2012.

10. Material Litigation (continued)

(c) Celcom & Another vs TSDTR & 8 Others (continued)

The German directors have respectively applied to set aside these proceedings on the basis that the issues had been litigated and decided on their merits based on the Award. The said applications were respectively dismissed by the Court on 30 June 2010. The German directors filed their respective notices of appeal to the Court of Appeal. The appeals were heard on 25 June 2012 and 14 August 2012. The Court of Appeal then fixed 28 November 2012 for continued hearing.

Subsequently, the Court of Appeal vacated both appeals and at the hearing fixed on 27 June 2013, the Court of Appeal heard the parties' submissions and reserved its decision to a date to be fixed. Meanwhile, this matter has been fixed for further case management in the High Court on 18 February 2014 pending outcome of the appeals.

(d) Claim on Robi by National Board of Revenue ("NBR")

The Large Tax Unit of the National Board of Revenue of Bangladesh, had issued a show cause letter dated 23 February 2012 to Robi. The letter alleged that Robi had evaded payment of supplementary duty and VAT levied on the issuance of a certain number of SIM cards to new customers of Robi on the pretext that the issuance were for replacement purposes with regards to Robi's existing customers. The amount in question amounts to RM259.3 million (BDT6,549.9 million). The show cause letter accompanied a demand to pay the amount, if the response to the show cause letter is not satisfactory.

Robi subsequently filed a writ in the High Court of Bangladesh on 26 April 2012 to challenge NBR's claim. The writ was heard by the High Court on 2 May 2012. At the hearing the High Court of Bangladesh granted Robi a stay of NBR's claim for 2 months and ordered Robi to reply to NBR's show cause letter within 10 days.

On 7 May 2012, NBR filed an application for Leave to Appeal to the Appellate Division of the Supreme Court of Bangladesh challenging the stay order of the High Court. Chamber Judge of the High Court heard the appeal on 8 May 2012 and rejected NBR's application for stay.Robi has replied to NBR's show cause letter on 10 May 2012.

The appeal filed by NBR against the order of stay was taken up by the Appellate Division for final hearing on 7 April 2013 and the appeal was disposed of with a direction upon the High Court Division to finally hear the writ petition within one month from the date of receipt of the order. In a brief hearing, High Court division disposed-off the Writ with a direction to the NBR to resolve the dispute by following appropriate procedure, within 120 days of the receipt of the judgment.

NBR has fixed the date for hearing on 26th of July 2013. Robi has requested to defer the hearing until Robi receives the written judgment of the High Court. NBR agreed to defer the hearing date but yet to fix any date.

In August 2013, a Review Committee was formed consisting of representatives from four mobile operators, BTRC (the telecoms regulator), NBR, Large Tax Unit ("LTU") and a representative from Association of Mobile Telecom Operators of Bangladesh ("AMTOB") to produce a report with a view to resolve the matter amicably.

10. Material Litigation (continued)

(e) Claim by Suntel Limited ("Suntel") against Electroteks Network Services (Pvt) Ltd ("Electroteks")

Suntel Limited, a company acquired by Dialog Broadband Networks (Pvt) Ltd ("DBN") (subsequently amalgamated with DBN), had on 20th November 2001 filed a claim for debt recovery against Electroteks Network Services (Pvt) Ltd ("Electroteks").

Electroteks filed a counterclaim on 30th May 2002 in the Commercial High Court of Colombo amounting to RM105.4 million (SLR4.2 billion) with interest. On 9th March 2012, the court delivered judgment in favour of Electroteks granting them the aforesaid counterclaim on an alleged overpayment and consequential damages.

DBN appealed against the said judgment to the Supreme Court of Sri Lanka under case bearing no. SC/CHC/53/2012. The Appeal is now listed for hearing on an accelerated basis on 6th March 2014.

Pending such appeal to the Supreme Court of Sri Lanka, Electroteks filed a writ pending appeal application in the Commercial High Court of Colombo seeking to execute the judgment given in their favour. DBN filed its objections to this writ pending appeal application. On 4th December 2013, Electroteks agreed not to pursue this writ pending appeal application provided that Dialog Broadband Network (Private) Limited provides security through its parent company Dialog Axiata PLC, in the form of a Bank Guarantee for the value of RM25.1 million (SLR1.0 billion) and a Corporate Guarantee for the value of RM80.3 million (SLR3.2 billion, until judgment is delivered in the appeal made to the Supreme Court of Sri Lanka. This matter will be called again on 19th February 2014.

11. Update on Memorandum of Understanding ("MOU") pursuant to Paragraph 9.29, Chapter 9 of the Main LR

Celcom and MY E.G Services Berhad ("MYEG") had, on 2 September 2013, entered into a MOU to jointly explore possible business opportunities and collaboration in the areas of e-Government services delivery and joint go-to-market for specific target market segments.

This MOU, which is valid for a period of 1 year, forms the basis of the Parties collaboration until such time definitive agreements(s) are entered. The MOU may be further extended by the Parties unless earlier terminated or upon execution of the definitive agreement(s).

12. Other Disclosure Requirements under Appendix 9B of the Main LR

Other than those items disclosed in the statements of comprehensive income and notes in Part A of this announcement, there are no material impairment of receivables, inventories, gains/loss on disposal of investments, properties and assets during the current quarter and financial period to date.

13. Additional Disclosure Requirements

Pursuant to the letter of approval from Securities Commission Malaysia ("SC") dated 30 January 2008 in relation to, amongst others, the Telekom Malaysia Group's Demerger, the Company is required to obtain the relevant approvals for the transmission towers and rooftop sites ("Outdoor Structures") of Celcom Group within two (2) years from the date of the SC's approval letter ("Timing Conditions"). In addition, the Company is also required to disclose in its quarterly announcement, the status of application of such Outdoor Structures to Bursa Securities until all approvals are obtained.

On 30 January 2012, CIMB Investment Bank Berhad ("CIMB") had, on behalf of the Company, inter-alia, announced that the SC had, through its letter dated 25 January 2012, granted an extension of time of two (2) years (i.e. up to 29 January 2014) for the Company to obtain the necessary approvals for the said Outdoor Structures.

The status of 49 Outdoor Structures (which are subject to the SC's condition above) as at 13 February 2014 is as follows:-

(a) 10 Outdoor Structures have obtained local authorities approval;
(b) No Outdoor Structures are pending approval from local authorities;
(c) Initial applications for 28 Outdoor Structures have been declined. Celcom is in the midst of appealing to the relevant local authorities with respect to such applications; and
(d) 11 Outdoor Structures have been permanently dismantled.

Following the application submitted by CIMB for further extension of time for the legalisation of the remaining 28 Outdoor Structures, SC had vide their letter dated 12 February 2014, granted an exemption to the Company from complying with the Timing Conditions, subject to the following ("Exemptions Conditions"):-

(a) The Company to provide an undertaking that it will continue with the legalisation;
(b) The Company to make an announcement on the current status of the legalisation and remedial actions to be taken on the 28 Outdoor Structures; and
(c) The Company to disclose the status of the legalisation in its annual report until such time the necessary approvals are obtained.

As of to-date, the Company has yet to comply with the Exemptions Conditions.

14. Earnings Per Share ("EPS")

(a) Basic EPS

	4th Quarter Ended		Financial Year Ended	
	31/12/2013	31/12/2012	**31/12/2013**	31/12/2012
Profit attributable to owners of the Company (RM'000)	575,632	571,100	2,550,021	2,513,285
Adjusted weighted average number of shares ('000)	8,539,114	8,507,412	8,527,631	8,492,277
Basic EPS (sen)	**6.7**	6.7	**29.9**	29.6

Basic EPS of the Group was calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares during the current quarter and financial year to date.

(b) Diluted EPS

For the diluted EPS, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

	4th Quarter Ended		Financial Year Ended	
	31/12/2013	31/12/2012	**31/12/2013**	31/12/2012
Profit attributable to owners of the Company (RM'000)	575,632	571,100	2,550,021	2,513,285
Adjusted weighted average number of shares ('000)	8,539,114	8,507,412	8,527,631	8,492,277
Adjusted for the Company's ESOS/RSA	73,140	52,653	55,325	41,032
Weighted average number of diluted ordinary shares for computation of diluted EPS ('000)	8,612,254	8,560,065	8,582,956	8,533,309
Diluted EPS (sen)	**6.7**	6.7	**29.7**	29.5

15. Qualification of Preceding Audited Financial Statements

The 2012 Audited Financial Statements were not subject to any qualification.

16. Dividend Proposed

The Board of Directors have recommended tax exempt dividends under single tier system a final dividend of 14 sen (2012: 15 sen) per ordinary share of RM1 each of the Company in respect of financial year ended 31 December 2013. The proposed dividends are subject to approval by the shareholders at the forthcoming Annual General Meeting. Full year dividend declared for the financial year ended 2013 is 22 sen (2012: 35 sen)

By Order of the Board

Suryani Hussein (LS0009277)
Secretary

Kuala Lumpur
20 February 2014