

# MAXIS BERHAD

## **A POSITIVE START TO THE YEAR FOR MAXIS WITH 4.4% REVENUE GROWTH TO RM2.3 BILLION FOR Q1 2013, CONTINUING MARKET LEADERSHIP AND STRENGTHENING OF FUTURE REVENUES**

- *Solid momentum from market initiatives, strong data revenue and integrated strategy on track*
- *Market leadership with 14.1 million mobile subscriptions*
- *Delivered on dividend commitment with a first interim dividend of eight sen per share amounting to RM600 million*
- *Successfully expanded 4G LTE footprint since launch on 1 January 2013, expects to increase 4G LTE coverage further in Klang Valley, Penang and Johor Bahru by Q2 2013*

### **MEDIA RELEASE**

**For immediate release**

**Kuala Lumpur, 9 May 2013**

Maxis Berhad (Maxis), Malaysia's only integrated communications service provider started the year on a positive note, registering higher revenue of RM2,327 million for Q1 2013, a 4.4% growth as compared to the same period last year. The Company recorded healthy growth across all its business segments with data services, particularly mobile internet being the key growth driver, growing 17.3% from a year ago.

YM Raja Tan Sri Dato' Seri Arshad Raja Tun Uda, Chairman of Maxis said, "Our Q1 performance was a result of our continued focus to lead in the data space and build a strong ecosystem of partners to enable us to offer integrated propositions to our customers. These efforts saw us optimising our mobile business and capturing growth opportunities in data and the digital world. We can clearly see healthy momentum from our 2012 market initiatives continued bearing fruit. Comparing Q1 2013 to Q4 2012 performance, Maxis' revenue grew by 0.9% to RM2,327 million from RM2,306 million previously. Profit After Tax (PAT) was up by 25.9% to RM476 million as compared to RM378 million in Q4 2012. Without the impact of accelerated depreciation, our Q1 2013 PAT on a normalised basis improved by 9.7% to RM521 million from RM475 million in Q4 2012. We also registered an Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of RM1,122 million, 5.4% higher than the preceding quarter driven by higher revenue, lower sales and marketing cost, and other operating expenses. EBITDA margin improved by 2.0% points to 48.2%."

"Our efforts in introducing innovative data products and improving overall consumer data experience on our network, resulted in strong non-voice revenues which now stand at 47.8% of mobile revenues. We have 8.5 million active mobile Internet users with 39% of them using smartphones, which we continue to seed in the market, as a result of which nearly 69% of our non-voice revenue comes from internet and data services. Overall, Maxis continued to lead the market with a total mobile subscription of 14.1 million." added Raja Tan Sri Dato' Seri Arshad.

During the quarter, Maxis led the market by becoming the first telco to launch 4G LTE service in Malaysia on 1 January and introduce the first 4G LTE smartphones. The Company also introduced regional engagement programme, festive promotional activities and Malaysia's first ebook writing competition. As part of its Maxis Integrated Partner in Education, Maxis provided

technological tools and solutions, including WiFi connectivity throughout the campus areas of participating universities or colleges.

For the quarter under review, Maxis registered a PAT of RM476 million, impacted by acceleration of depreciation of network equipment amounting to RM60 million resulting in a 16.9% reduction from RM573 million recorded last year. On a normalised basis, excluding these one-off items, PAT was RM521 million against RM557 million a year ago. The Company recorded an EBITDA of RM1,122 million with an EBITDA Margin of 48.2%, the highest in the industry.

Continuing with its commitment to strong dividend, Maxis declared a first interim dividend of 8.0 sen per share amounting to RM600 million.

In terms of network investment, Maxis continued to invest prudently and has been a strong advocate of active infrastructure sharing. Maxis invested RM191 million in capex in Q1 2013. Since the launch of its high-speed 4G LTE network on 1 January 2013, Maxis has successfully expanded its 4G LTE footprint, allowing approximately 100,000 customers to enjoy superfast internet from Maxis.

“Our infrastructure modernisation programme has progressed well in Quarter 1 with LTE networks roll-out on target. We expect to increase 4G LTE coverage to more areas in the Klang Valley as well as Penang and Johor Bahru by the second quarter of 2013. With LTE, we have a strong suite of data spectrum, catering to the growing needs of the customers and providing them with the best digital services. Maxis already introduced for the first time 4G LTE smartphones including Nokia Lumia 920 and HTC One XL in Q1 2013, followed by Apple devices in April 2013. We will grow the eco-system with more 4G smart devices, exciting content and services for an even richer digital experience for customers,” explained Raja Tan Sri Dato’ Seri Arshad.

Maxis also introduced Astro Byond IPTV with Maxis Home Fibre Internet which enables customers to enjoy the best entertainment on the best fibre and wireless network – anytime, anywhere, on any device. In addition to benefits such as High Definition content, uninterrupted viewing, Astro On-The-Go offering and PVR service, customers will enjoy a unique content offering from Maxis and Astro which will further differentiate its services from competitors.

“Our focus for 2013 is to continue building on our leadership in the data business, put our customers first in everything we do and be the most efficient company. We will drive growth in our core business while investing in future digital services with continued investment in our infrastructure to meet ever growing customer demand for data access and higher speeds. As Malaysia’s only integrated communications service provider, we are well placed to offer integrated offerings to families, communities and businesses. Leveraging on our successful track record in seeding the market with smart devices, we want to broaden the base of data users. We will also continue our efforts to grow market share and revenues in the East Coast, Sabah, Sarawak, the migrant and tourist segments,” concluded Raja Tan Sri Dato’ Seri Arshad.

### **Strong Shareholders Support at Maxis’ Fourth Annual General Meeting and Extraordinary General Meeting**

Maxis’ shareholders approved all the resolutions proposed at the Company’s fourth Annual General Meeting (AGM) and Extraordinary General Meeting (EGM) held earlier in the day. On the dividend pay-out in respect of the financial year ended 31 December 2012, the shareholders approved a single-tier tax-exempt final dividend of 8.0 sen per ordinary share. The four interim dividends paid and the approved final dividend will bring the total dividend for 2012 to 40 sen per share. With that, Maxis has successfully delivered a total of RM3.0 billion in cumulative dividends for the year 2012. This represents a dividend yield of 6.0% based on the closing price of RM6.65 as at end of 2012.

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### **About Maxis Berhad**

Maxis Berhad is Malaysia's only integrated communications service provider with RM8.9 billion revenue in 2012 and over 14 million subscribers. As one of Malaysia's most admired home-grown brands, Maxis has evolved from being a premier mobile operator to one that offers an extensive suite of services to enrich its customers' lives whether at home, at work or on-the-go: mobile and fixed voice, messaging, mobile internet, wireless and wired high speed broadband, and multi-screen content and applications - be it entertainment, education, security or cloud computing - through mobile, fixed and satellite networks. Maxis launched the first high-speed networks in Malaysia including 3G, 3.5G, 3.5G+ and was the first to launch 4G LTE (Long-Term Evolution) early this year. Maxis' high-speed network footprint is the largest in the country with 95% 2G and 82% high-speed 3G coverage.

As a key supporter of the Malaysian application development ecosystem, Maxis partners with local developers to bring innovative applications to its customers while also making available the widest range of localised content in the market, with a selection of free Apps that appeal to different segments across various smart devices. Maxis' efforts in innovation, excellent customer service and providing value to stakeholders have earned the Company numerous awards including the historic win of 20 awards at the 13th Customer Relationship Management and Contact Centre Association of Malaysia (CCAM) Annual Awards in 2012, Best Managed Company, Asia's Best Employer, Putra Brand of the Year Awards in 2011 and Top 5 Best Global Operator Award by World Communication Awards in 2012 and 2010. Committed to contributing to the communities it operates in, Maxis' Corporate Responsibility efforts focus on making a 'Positive Impact', harnessing leading-edge technology to create value for the economy, society and the environment. For more information, please visit: [maxis.com.my](http://maxis.com.my)

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