



**MAXIS BERHAD**

(867573 – A)

(INCORPORATED IN MALAYSIA)

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

The Board of Directors of Maxis Berhad (“Maxis” or “the Company”) is pleased to announce the following unaudited condensed combined financial statements for the third quarter ended 30 September 2009 which should be read in conjunction with the Notes on pages 5 to 16. The unaudited condensed combined financial statements have been prepared by aggregation of the unaudited financial information relating to the individual Subsidiaries (as defined in Note 1) for the financial period under review and effecting the adjustments in Note 1.

As the acquisitions of the Subsidiaries were only effected after the financial period under review, the unaudited condensed combined financial statements do not incorporate the effects of the acquisitions.

Since the presentation for this quarter is on combined basis while the presentation in the next quarter following completion of acquisitions will be based on purchase accounting, the unaudited condensed consolidated financial statements for the year ending 31 December 2009 will materially differ from the unaudited condensed combined financial statements for the period ended 30 September 2009 due to the differences in basis of preparation. The significant differences are as follows:

- In respect of the income statement for the next quarter, the results of the Subsidiaries will be consolidated with effect from 1 October 2009. Results of the Subsidiaries other than Maxis Mobile Services Sdn Bhd prior to 1 October 2009 will be treated as pre-acquisition; and
- In respect of the balance sheet as at 31 December 2009, the effects of the acquisition of the Subsidiaries will be accounted for.

**UNAUDITED CONDENSED COMBINED INCOME STATEMENTS**

	Note	INDIVIDUAL QUARTER		+	CUMULATIVE QUARTER		+
		QUARTER	QUARTER		PERIOD	PERIOD	
		ENDED	ENDED		ENDED	ENDED	
		30/9/2009	30/9/2008	-	30/9/2009	30/9/2008	-
		RM' m	RM' m	%	RM' m	RM' m	%
Revenue	8	2,156	2,119	2	6,400	6,187	3
Cost of sales		(698)	(674)		(2,077)	(1,930)	
Gross profit		1,458	1,445	1	4,323	4,257	2
Other income		1	1		3	2	
Administrative expenses		(387)	(352)		(1,107)	(955)	
Network operation costs		(257)	(408)		(848)	(876)	
Other expenses		(7)	(8)		(29)	(30)	
Profit from operations	8	808	678	19	2,342	2,398	-2
Finance income		5	21		25	43	
Finance cost		(6)	(7)		(28)	(29)	
Profit before tax		807	692	17	2,339	2,412	-3
Taxation	18	(192)	(212)		(583)	(672)	
Profit for the period attributable to equity holders of the Company		615	480	28	1,756	1,740	1
Earnings per share attributable to equity holders of the Company (sen):							
- Basic <sup>(1)</sup>	26	8.2	6.4		23.4	23.2	
- Diluted <sup>(2)</sup>		NA	NA		NA	NA	

**Note :**

<sup>(1)</sup> Computed based on the profit attributable to equity holders of the Company divided by 7,500 million shares assumed in issue pursuant to the Pre-Listing Restructuring.

<sup>(2)</sup> NA denotes "Not Applicable" as there are no dilutive ordinary shares.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

**CONDENSED COMBINED BALANCE SHEET**

	Note	AS AT 30/9/2009 (Unaudited) RM' m	AS AT 31/12/2008 (Audited) RM' m
<b>Non-current assets</b>			
Property, plant and equipment	9	4,246	4,456
Prepaid land lease payments		10	10
Intangible assets		111	90
Loan to Maxis Communications Berhad		174	173
Deferred tax assets		99	101
		<u>4,640</u>	<u>4,830</u>
<b>Current assets</b>			
Inventories		125	108
Receivables, deposits and prepayments		795	744
Tax recoverable		-	38
Amounts due from Maxis Communications Berhad		1,435	1,012
Amounts due from related parties		14	14
Cash and cash equivalents		1,186	1,692
		<u>3,555</u>	<u>3,608</u>
<b>Current liabilities</b>			
Payables and accruals		1,976	2,268
Provisions for liabilities and charges		52	71
Amount due to Maxis Communications Berhad		3,013	885
Amounts due to related parties		23	45
Borrowings	22	4	3
Taxation		217	291
		<u>5,285</u>	<u>3,563</u>
<b>Net current (liabilities)/assets</b>		<u>(1,730)</u>	<u>45</u>
<b>Non-current liabilities</b>			
Payables and accruals		8	-
Provisions for liabilities and charges		147	130
Borrowings	22	1	3
Loan from Maxis Communications Berhad	22	1,257	73
Loan from a related party	22	31	30
Deferred tax liabilities		341	355
		<u>1,785</u>	<u>591</u>
<b>Net assets</b>		<u>1,125</u>	<u>4,284</u>
<b>Equity</b>		<u>1,125</u>	<u>4,284</u>
<b>Net assets per share<sup>(3)</sup> (RM)</b>		<u>0.15</u>	<u>0.57</u>

**Note :**

<sup>(3)</sup> Computed based on the net assets of the Subsidiaries divided by 7,500 million shares assumed in issue pursuant to the Pre-Listing Restructuring. The computation does not include the goodwill /intangible assets which may arise from purchase price allocation in connection with the Pre-Listing Restructuring.

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

**UNAUDITED CONDENSED COMBINED STATEMENT OF RECOGNISED INCOME AND EXPENSE  
AND RECONCILIATION OF MOVEMENT IN EQUITY**

	RM'm
Net income recognised in income statement for the period ended 30 September 2009	1,756
Total recognised income and expense	<u>1,756</u>
Attributable to:	
Equity holders	1,756
Minority interests	-
	<u>1,756</u>
 <b><u>Reconciliation of movement in equity</u></b>	
<b>Movement for the period</b>	
Total recognised income during the period	1,756
Dividends paid:	
- Quarter ended 31 March 2009	(170)
- Quarter ended 30 June 2009	(430)
- Quarter ended 30 September 2009	(630)
Dividend declared for quarter ended 30 September 2009	(3,685)
	<u>(3,159)</u>
Opening equity as at 1 Jan 2009	4,284
Closing equity as at 30 September 2009	<u>1,125</u>
	RM'm
Net income recognised in income statement for the period ended 30 September 2008	1,740
Total recognised income and expense	<u>1,740</u>
Attributable to:	
Equity holder	1,740
Minority interests	-
	<u>1,740</u>
 <b>Movement for the period</b>	
Total recognised income during the period	1,740
Dividend paid	(400)
	<u>1,340</u>
Opening equity as at 1 Jan 2008	2,603
Closing equity as at 30 September 2008	<u>3,943</u>

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

**UNAUDITED CONDENSED COMBINED CASH FLOW STATEMENT**

	<b>PERIOD ENDED 30/9/2009</b>	<b>PERIOD ENDED 30/9/2008</b>
	<b>RM' m</b>	<b>RM' m</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the financial period	1,756	1,740
Adjustments for non-cash items	1,626	1,597
Payments for provision for liabilities and charges	(39)	(43)
Payments for handset subsidies	(62)	(27)
Other payment <sup>(4)</sup>	(111)	(183)
	<hr/>	<hr/>
Operating profit before working capital changes	3,170	3,084
Changes in working capital	(821)	(1,038)
	<hr/>	<hr/>
Cash generated from operations	2,349	2,046
Interest received	26	37
Net tax paid	(633)	(442)
	<hr/>	<hr/>
Net cash flows generated from operating activities	1,742	1,641
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(639)	(345)
Proceeds from disposal of property, plant and equipment	5	-
	<hr/>	<hr/>
Net cash flows used in investing activities	(634)	(345)
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of lease financing	(2)	(2)
Loan and advances (to)/from Maxis Communications Berhad	(381)	153
Proceeds from issuance of redeemable preference shares	-	1
Dividends paid	(1,230)	(400)
Interest paid	(1)	(1)
	<hr/>	<hr/>
Net cash flows used in financing activities	(1,614)	(249)
	<hr/>	<hr/>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(506)</b>	<b>1,047</b>
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>1,692</b>	<b>721</b>
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>1,186</b>	<b>1,768</b>
	<hr/>	<hr/>

**Note :**

<sup>(4)</sup> Other payment represents the equivalent cash consideration payment for the outstanding and cancelled options for Maxis Communications Berhad's ("MCB") Employee Share Option Scheme ("ESOS") pursuant to the conditional take-over offer by Binariang GSM Sdn Bhd ("BGSM") to acquire all voting shares of MCB at a cash consideration of RM15.60 for each share on 3 May 2007. The equivalent cash consideration was the difference between BGSM's offer price and the exercise price applicable to the outstanding options. The outstanding balance of the equivalent cash consideration which have been provided for as at 30 September 2009 amounted to approximately RM36 million.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**1. BASIS OF PREPARATION**

The unaudited quarterly report has been prepared in accordance with the reporting requirements as set out in Financial Reporting Standard (“FRS”) 134 – Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements (“Bursa Securities Listing Requirements”) and should be read in conjunction with the Accountants’ Report as set out in Maxis’ Prospectus dated 28 October 2009 and the accompanying explanatory notes attached to the unaudited condensed combined financial statements.

The accounting policies adopted for the unaudited condensed combined financial statements are consistent with those adopted for the audited combined financial statements for the financial years/period presented in Maxis’ Prospectus and have been prepared using the accounting policies that are in accordance with the Financial Reporting Standards, the Malaysian Accounting Standards Board (“MASB”) Approved Accounting Standards for Entities Other than Private Entities.

The unaudited condensed combined financial statements do not incorporate the effects of the acquisitions of the companies comprising Maxis Mobile Services Sdn Bhd (“MMSSB”), Maxis Broadband Sdn Bhd (“MBSB”), Maxis International Sdn Bhd (“MISB”), Maxis Mobile Sdn Bhd (“MMSB”), Maxis Collections Sdn Bhd (“MCS”), Maxis Multimedia Sdn Bhd (“MM”), UMTS (Malaysia) Sdn Bhd, Maxis Online Sdn Bhd, Maxis Mobile (L) Ltd, Maxis Asia Access Pte Ltd, and 75% of the issued and paid up share capital of Advanced Wireless Technologies Sdn Bhd (“AWT”) (collectively known as the “Subsidiaries”) as the acquisitions were only effected after the financial period under review. Upon completion, the acquisitions of the Subsidiaries will be accounted for using purchase method of accounting under FRS 3 “Business Combination”. Therefore, the unaudited condensed combined financial statements are not indicative of the financial results, financial position and cash flows that would have occurred if the acquisitions of the Subsidiaries had been effected on 1 January 2009 or of the future financial position, results and cash flows of Maxis and its Subsidiaries.

The unaudited condensed combined financial statements have been prepared by aggregation of the unaudited financial information relating to the individual Subsidiaries for the financial period under review and effecting the following adjustments:

- Elimination of inter-entity transactions and balances amongst the Subsidiaries;
- Transfer of the following to MCB as they relate to operations and funding outside the Malaysian businesses:
  - Transfer of investment in Althem B.V. (“Althem”) and Teleglobal Investments B.V. (“TG”) from the Subsidiaries to MCB at the carrying values of the investments;
  - Novation of US Dollar interest free and interest bearing loans extended to TG, PT Natrindo Telepon Seluler (“NTS”), Althem and Global Communications Services Holdings Ltd from the Subsidiaries to MCB and the reversal of interest income, interest expense, foreign exchange translation differences and released hedging gain recognised by the Subsidiaries as these loans were not used to fund the Malaysian businesses; and
- Allocation of finance expense to the Subsidiaries relating to external funding obtained by MCB that were on-lent to the Subsidiaries as interest free loans for working capital purposes.

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**1. BASIS OF PREPARATION (continued)**

Save as disclosed in the audited combined financial statements, the additional FRS, amendments to FRS and Issues Committee (“IC”) Interpretations issued by the MASB on 15 September 2009 are as follows:

- FRS 101 “Presentation of Financial Statements”
- Amendments to FRS 7 “Financial Instruments: Disclosures”
- Amendments to FRS 132 “Financial Instruments: Presentation”
- Amendments to FRS 139 “Financial Instruments: Recognition and Measurement”
- Amendments to IC Interpretation 9 “Reassessment of Embedded Derivatives”
- Amendments to FRSs contained in the document entitled “Improvements to FRSs (2009)”

The above FRS, amendments to FRS and IC Interpretation are effective for accounting periods beginning on or after 1 January 2010.

**2. QUALIFICATION OF PRECEDING AUDITED COMBINED FINANCIAL STATEMENTS**

There was no qualification to the preceding audited combined financial statements for the financial period ended 30 June 2009.

**3. SEASONAL / CYCLICAL FACTORS**

The operations of the Subsidiaries were not significantly affected by seasonality and cyclical factors.

**4. UNUSUAL ITEMS**

There were no significant unusual items affecting the assets, liabilities, equity, net income, or cash flows during the period under review.

**5. MATERIAL CHANGES IN ESTIMATES**

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

**6. DEBTS AND EQUITY SECURITIES**

There were no issuance, repurchase and repayment of debt and equity securities for the period under review, other than as follows:

- (a) At incorporation on 7 August 2009, Maxis’ issued and paid up capital was at RM0.20 comprising 2 ordinary shares of RM0.10 each; and
- (b) On 1 October 2009, 7,499,999,998 ordinary shares of RM0.10 each were issued pursuant to the Pre-Listing Restructuring.

**7. DIVIDENDS PAID**

On 17 July 2009, MMSSB and MMSB paid interim single-tier exempt dividend on ordinary shares in an aggregate amount of RM630 million to MCB.

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**8. SEGMENT RESULTS AND REPORTING**

The Subsidiaries operate in three key segments in Malaysia, comprising the provision of mobile services which is a major contributor to the Subsidiaries' operations, fixed services and international gateway services. The Subsidiaries also provide other services which are currently not significant enough to be reported separately. Inter-segment revenues comprise network services and management services rendered to other business segments within the Subsidiaries. Some transactions are transacted at normal commercial terms that are no more favourable than that available to other third parties whilst the rest are allocated based on an equitable basis of allocation.

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>	<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>
<b><u>Segment Revenue</u></b>	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>
<b><u>Mobile services</u></b>				
External revenue	<b>2,013</b>	1,975	<b>5,929</b>	5,792
Inter-segment revenue	<b>19</b>	19	<b>61</b>	52
	<b><u>2,032</u></b>	<u>1,994</u>	<b><u>5,990</u></b>	<u>5,844</u>
<b><u>Fixed services</u></b>				
External revenue	<b>40</b>	45	<b>143</b>	141
Inter-segment revenue	<b>9</b>	15	<b>29</b>	45
	<b><u>49</u></b>	<u>60</u>	<b><u>172</u></b>	<u>186</u>
<b><u>International gateway services</u></b>				
External revenue	<b>103</b>	99	<b>328</b>	254
Inter-segment revenue	<b>64</b>	66	<b>185</b>	186
	<b><u>167</u></b>	<u>165</u>	<b><u>513</u></b>	<u>440</u>
<b><u>Other operations</u></b>				
Inter-segment revenue	<b>82</b>	62	<b>212</b>	177
Total reportable segments	<b>2,330</b>	2,281	<b>6,887</b>	6,647
Eliminations	<b>(174)</b>	(162)	<b>(487)</b>	(460)
Total revenue	<b><u>2,156</u></b>	<u>2,119</u>	<b><u>6,400</u></b>	<u>6,187</u>



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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**8. SEGMENT RESULTS AND REPORTING (continued)**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>QUARTER ENDED</b>	<b>QUARTER ENDED</b>	<b>QUARTER ENDED</b>	<b>QUARTER ENDED</b>
	<b>30/9/2009</b>	<b>30/9/2008</b>	<b>30/9/2009</b>	<b>30/9/2008</b>
<b>Segment Results</b>	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>
Mobile services	797	663	2,307	2,339
Fixed services	(1)	7	6	35
International gateway services	4	4	11	11
Other operations	8	4	18	13
Profit from operations	808	678	2,342	2,398

**9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT**

There were no revaluations of property, plant and equipment for the period under review. As at 30 September 2009, all property, plant and equipment were stated at cost less accumulated depreciation and impairment losses.

**10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD**

As disclosed in the Prospectus, on 1 October 2009, the Pre-Listing Restructuring comprising the acquisition of the Subsidiaries by Maxis and novation of balances from the Subsidiaries to MCB was completed. The net intercompany balances owing by MCB to the Subsidiaries as at 30 September 2009 were settled for RM704.6 million in cash on 7 October 2009. The financial effects of the acquisition will be disclosed in the financial statements of Maxis Berhad for the financial year ending 31 December 2009.

**11. CHANGES IN THE COMPOSITION OF THE SUBSIDIARIES**

There were no changes in the composition of the Subsidiaries in the current quarter.



**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**(a) Contingent liabilities**

The amounts of contingent liabilities as at 24 November 2009 were as follows:

	RM' m
Indemnity given to financial institutions in respect of bank guarantees issued – unsecured:	
(a) Royal Malaysian Customs	27
(b) Malaysian Communications and Multimedia Commission	50
(c) Others	30
	107

**(b) Contingent assets**

There were no contingent assets as at 24 November 2009.

**13. CAPITAL COMMITMENTS**

Capital commitments for the Subsidiaries in respect of property, plant and equipment as at 30 September 2009 are as follows:

	RM' m
Approved and contracted for	352
Approved but not contracted for	423
	775

**14. SIGNIFICANT RELATED PARTY DISCLOSURES**

Related parties are those defined under FRS 124 - Related Party Disclosures. The significant related party transactions and balances described below were carried out in the ordinary course of business and on commercial terms that are no more favourable than that available to other third parties.

	Transactions for the year-to-date ended 30/9/2009	Balances due from/(to) as at 30/9/2009
(a) Sales of goods and services	RM' m	RM' m
- MEASAT Broadcast Network Systems Sdn. Bhd. and its related companies <sup>1</sup> (VSAT, telephony and international bandwidth services)	18	3
- Saudi Telecom Company (STC) <sup>2</sup> (roaming and international calls)	5	3

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

**14. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)**

	Transactions for the year-to-date ended 30/9/2009	Balances due from/(to) as at 30/9/2009
	RM' m	RM' m
<b>(a) Sales of goods and services (continued)</b>		
- MCB <sup>3</sup> (management fee)	10	10
- Aircel Limited Group <sup>4</sup> (interconnect, roaming and international calls)	8	3
<b>(b) Purchases of goods and services</b>		
- Tanjong City Centre Property Management Sdn. Bhd. <sup>5</sup> (rental, signage, parking and utility charges)	22	-
- MEASAT Satellite Systems Sdn. Bhd. <sup>6</sup> (transponder lease rental)	15	-
- Aircel Limited Group <sup>4</sup> (interconnect, roaming and international calls)	13	(3)
- Sri Lanka Telecom Ltd and Mobitel (Pvt) Ltd <sup>7</sup> (roaming and international calls)	7	(3)
- UTSB Management Sdn. Bhd. <sup>8</sup> (secondment and consultancy services)	24	(8)
- SRG Asia Pacific Sdn. Bhd. <sup>8</sup> (call handling and telemarketing services)	13	(4)
- STC <sup>2</sup> (roaming and international calls)	5	(4)
- UMTS (Malaysia) Sdn. Bhd. <sup>9</sup> (usage of 3G spectrum)	12	(3)

**Note:**

Usaha Tegas Sdn Bhd ('UTSB'), Saudi Telecom Company ('STC') and Harapan Nusantara Sdn Bhd ('Harapan Nusantara') are related parties to MCB, by virtue of having joint control over MCB via BGSM, pursuant to a shareholders' agreement in relation to BGSM. MCB is the immediate holding company of Maxis.

Ananda Krishnan Tatparanandam, has a deemed interest in the shares of UTSB through Pacific States Investment Limited ('PSIL'), which has a direct controlling interest in UTSB. The shares in PSIL are held by Excorp Holdings N.V, which is in turn held by PanOcean Management Limited ('PanOcean'), the ultimate holding company. PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam and foundations including those for charitable purposes. Although Ananda Krishnan Tatparanandam is deemed to have an interest in the shares of UTSB, he does not have any economic or beneficial interest in the shares of UTSB, as such interest is held subject to the terms of the discretionary trust.

<sup>1</sup> Subsidiary of ASTRO ALL ASIA NETWORKS plc, an associate of UTSB

<sup>2</sup> A major shareholder of BGSM, the ultimate holding company of Maxis.

<sup>3</sup> The immediate holding company of Maxis.

<sup>4</sup> Subsidiaries of MCB.

<sup>5</sup> Subsidiary of Tanjong Public Limited Company, an associate of UTSB.

<sup>6</sup> Subsidiary of MAI Holdings Sdn Bhd, a company controlled by Ananda Krishnan Tatparanandam.

<sup>7</sup> Associate of UTSB.

<sup>8</sup> Subsidiary of UTSB.

<sup>9</sup> Subsidiary of Maxis and associate of ASTRO ALL ASIA NETWORKS plc, an associate of UTSB.

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS**

**15. REVIEW OF PERFORMANCE**

**(A) Performance of the current quarter against the preceding quarter (3<sup>rd</sup> Quarter 2009 versus 2<sup>nd</sup> Quarter 2009)**

<b>Financial indicators (Unaudited)</b>	<b>3<sup>rd</sup> Quarter 2009</b>	<b>2<sup>nd</sup> Quarter 2009</b>	<b>Variance</b>	<b>% Variance</b>
<b><u>Combined Financials (RM'm)</u></b>				
Revenue	<b>2,156</b>	2,116	40	2%
EBITDA	<b>1,086</b>	1,073	13	1%
EBITDA margin (%)	<b>50.4</b>	50.7	(0.3)	NA
Profit before tax (“PBT”)	<b>807</b>	787	20	3%
Profit for the period	<b>615</b>	594	21	4%

<b>Operational indicators</b>	<b>3<sup>rd</sup> Quarter 2009</b>	<b>2<sup>nd</sup> Quarter 2009</b>	<b>Variance</b>	<b>% Variance</b>
Number of mobile subscriptions ('000)				
- Postpaid	<b>2,711</b>	2,728	(17)	(1%)
- Prepaid	<b>8,835</b>	8,524	311	4%
- Wireless broadband <sup>(1)</sup>	<b>189</b>	171	18	11%
- Total	<b>11,735</b>	11,423	312	3%
Monthly ARPU (RM)				
- Postpaid	<b>103</b>	104	(1)	(1%)
- Prepaid	<b>41</b>	41	-	-
- Wireless broadband	<b>100</b>	107	(7)	(7%)
- Blended	<b>54</b>	54	-	-
Average monthly MOUs (minutes) per subscription <sup>(2)</sup>				
- Postpaid	<b>373</b>	373	-	-
- Prepaid	<b>119</b>	115	4	3%
- Blended	<b>178</b>	175	3	2%

**Note:**

<sup>(1)</sup> Defined as customers who have subscribed to data plans via a USB modem. Total subscribers who have subscribed to data plans, i.e. on both USB modems and handsets are 282,000 for 3<sup>rd</sup> Quarter 2009.

<sup>(2)</sup> Average monthly MOU per subscription excludes roaming partner minutes but includes free minutes.

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**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS**

**15. REVIEW OF PERFORMANCE (continued)**

**(A) Performance of the current quarter against the preceding quarter (3<sup>rd</sup> Quarter 2009 versus 2<sup>nd</sup> Quarter 2009) (continued)**

The Subsidiaries registered a 3% increase in the total mobile subscription over the preceding quarter to bring the total mobile subscription base to 11,735,000. As a result, revenue grew by RM40 million or 2%. Monthly ARPU for both postpaid and prepaid remained stable whilst wireless broadband decreased by RM7 or 7% mainly due to higher take up of volume based packages during the current quarter. Average postpaid MOU per subscription was maintained at 373 minutes whilst average prepaid MOU per subscription increased by 4 minutes mainly due to higher usage during the current quarter.

EBITDA increased by RM13 million or 1% over previous quarter, primarily resulting from higher revenue and lower sales and marketing costs partly offset by higher interconnect costs. The resultant EBITDA margin decreased by 0.3% point from the previous quarter.

PBT of RM807 million was RM20 million or 3% higher than the preceding quarter. The increase was mainly due to higher EBITDA and lower depreciation. Consequently, profit for the period was higher at RM615 million compared to RM594 million in the preceding quarter.

**(B) Performance of the current year-to-date against the preceding year-to-date (YTD 2009 versus YTD 2008)**

<b>Financial indicators (Unaudited)</b>	<b>YTD 2009</b>	<b>YTD 2008</b>	<b>Variance</b>	<b>% Variance</b>
<b><u>Combined Financials (RM'm)</u></b>				
Revenue	<b>6,400</b>	6,187	213	3%
EBITDA	<b>3,231</b>	3,258	(27)	(1%)
EBITDA margin (%)	<b>50.5</b>	52.7	(2.2)	NA
Profit before tax (“PBT”)	<b>2,339</b>	2,412	(73)	(3%)
Profit for the period	<b>1,756</b>	1,740	16	1%

  
**MAXIS BERHAD**  
 (867573 – A)  
 (INCORPORATED IN MALAYSIA)

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

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**15. REVIEW OF PERFORMANCE (continued)**

**(B) Performance of the current year-to-date against the preceding year-to-date (YTD 2009 versus YTD 2008) (continued)**

Operational indicators	YTD 2009	YTD 2008	Variance	% Variance
Number of mobile subscriptions ('000)				
- Postpaid	<b>2,711</b>	2,311	400	17%
- Prepaid	<b>8,835</b>	8,608	227	3%
- Wireless broadband	<b>189</b>	122	67	55%
- Total	<b>11,735</b>	11,041	694	6%
Monthly ARPU (RM)				
- Postpaid	<b>103</b>	114	(11)	(10%)
- Prepaid	<b>42</b>	47	(5)	(11%)
- Wireless broadband	<b>101</b>	93	8	9%
- Blended	<b>54</b>	59	(5)	(8%)
Average monthly MOUs (minutes) per subscription <sup>(1)</sup>				
- Postpaid	<b>371</b>	401	(30)	(7%)
- Prepaid	<b>115</b>	135	(20)	(15%)
- Blended	<b>174</b>	186	(12)	(6%)

**Note:**

<sup>(1)</sup> Average monthly MOU per subscription excludes roaming partner minutes but includes free minutes.

Revenue grew by RM213 million or 3% on the back of higher mobile subscription base. Mobile subscriptions growth of 694,000 or 6% is mainly made up of the postpaid growth of 400,000 or 17% and prepaid growth of 227,000 or 3%, bringing the total mobile subscription base to 11,735,000 as at 30 September 2009. Monthly ARPU for both postpaid and prepaid dropped by RM11 and RM5 respectively mainly due to higher take up of cheaper commitment plans whilst wireless broadband increased by RM8 or 9%. Average postpaid and prepaid MOU per subscription decreased by 30 minutes and 20 minutes respectively mainly due to lower usage during the current year-to-date.

Despite higher revenue, EBITDA decreased by RM27 million or 1% with the resulting EBITDA margin reducing 2.2% points to 50.5% largely due to higher interconnect costs and allowance for doubtful debts.

For the current year-to-date, PBT decreased by RM73 million or 3% mainly driven by lower EBITDA and higher depreciation charge. However, profit for the period increased by RM16 million or 1% for the current year-to-date mainly driven by higher tax charge for YTD 2008 arising from higher non-deductible expenses for tax purposes.

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**16. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2009**

The results of the Subsidiaries' operations for the financial year ending 31 December 2009 have been and are expected to be primarily influenced by the following factors:

- the Subsidiaries' ability to maintain its market share and grow its customer base;
- the impact of the debt arising from the Pre-Listing Restructuring in particular, any change in interest charges on the debt;
- global and Malaysian economy and expectations on recovery;
- performance of the Malaysian telecommunications services industry;
- continued adoption of non-voice services and maturing of voice services; and
- management of operating costs

The Subsidiaries remain focused on maintaining the leadership position with strategies in place in response to an increasingly competitive market and will continue to expand their reach in terms of network, branding and product proposition whilst ensuring that the cost structure is optimised.

Barring any unforeseen circumstances, the Board of Directors expects the performance of the Subsidiaries for the financial year ending 31 December 2009 to be satisfactory.

**17. PROFIT FORECAST OR PROFIT GUARANTEE**

Not applicable as the Subsidiaries did not publish any profit forecast.

**18. TAXATION**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>	<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>
	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>
Income tax:				
- Current tax	<b>176</b>	175	<b>605</b>	596
- Over provision in prior year	<b>(10)</b>	(7)	<b>(10)</b>	(7)
Deferred tax:	<b>26</b>	44	<b>(12)</b>	83
<b>Total</b>	<b>192</b>	212	<b>583</b>	672

The Subsidiaries' effective tax rates, excluding overprovision of tax in the prior year, for the current quarter and year-to-date are 25.0% and 25.4% respectively. The year-to-date effective tax rate is marginally higher than the statutory tax rate of 25% mainly due to certain expenses not deductible for tax purposes.

**19. PROFIT/(LOSS) ON SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There were no sales of unquoted investments and/or properties during the quarter.

**20. QUOTED SECURITIES**

There were no quoted securities acquired or disposed during the quarter.

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

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**21. STATUS OF CORPORATE PROPOSALS ANNOUNCED**

As a result of the Pre-Listing Restructuring, dividends and settlement of intercompany balances, Maxis Group owes MCB Group RM4,992.0 million and this amount presently bears interest at a rate of Kuala Lumpur Inter-bank Offered Rate (“KLIBOR”) plus 1.5% per annum. This amount shall be repaid by Maxis and its subsidiaries on the 2nd anniversary of the completion date of the Pre-Listing Restructuring (“Payment Date”) provided that if the Company raises financing through external financing prior to the Payment Date, the Company shall pay MCB such amount due by Maxis and its subsidiaries to MCB within 5 business days upon the receipt of the proceeds from the external financing.

In conjunction with the Initial Public Offering (“IPO”) of 2,250,000,000 ordinary shares of RM0.10 each in Maxis by the selling shareholder, MCB, the Company was listed on the Main Market of Bursa Securities on 19 November 2009. As Maxis did not issue any new shares under the IPO, it did not receive any proceeds from the IPO.

Save as disclosed above, there is no other major corporate proposal announced but not completed.

**22. BORROWINGS**

The borrowings as at 30 September 2009 are as follows:

	<b>CURRENT LIABILITIES</b>	<b>NON- CURRENT LIABILITIES</b>	<b>TOTAL</b>
	<b>RM' m</b>	<b>RM' m</b>	<b>RM' m</b>
<b><u>Secured</u></b>			
Finance lease liabilities	4	1	5
<b><u>Unsecured</u></b>			
Loan from MCB	-	1,257	1,257
Loan from a related party	-	31	31
	<b>4</b>	<b>1,289</b>	<b>1,293</b>
Currency exposure profile of borrowings is as follows:			
Ringgit Malaysia	4	1,289	1,293

**23. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at 24 November 2009.

**24. MATERIAL LITIGATION**

There is no material litigation as at 24 November 2009.

  
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**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**  
**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE BURSA SECURITIES LISTING REQUIREMENTS**

**25. DIVIDENDS**

- (a) Between 1 July 2009 and 16 September 2009, MMSSB, MBSB, MISB and MMSB declared single-tier exempt dividends in an aggregate amount of:
- (i) RM4,025.6 million to MCB, of which RM630 million was paid on 17 July 2009, RM2,211.4 million was paid between 1 October 2009 and 8 October 2009 and remaining RM1,184.2 million constituted an amount payable by MBSB to MCB; and
  - (ii) RM290.0 million to Binariang GSM Sdn Bhd ('BGSM'), in respect of Redeemable Preference Shares of MBSB held by BGSM, which was paid in cash on 9 October 2009.
- (b) The Board of Directors has declared an interim single-tier tax exempt dividend of 6.0 sen per ordinary share in respect of the financial year ending 31 December 2009, which will be payable on 15 January 2010. The entitlement date for the dividend payment is 31 December 2009.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (i) shares transferred to the Depositor's securities account before 4.00 pm on 31 December 2009 in respect of transfers; and
- (ii) shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

**26. BASIC EARNINGS PER SHARE**

		<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
		<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>	<b>QUARTER ENDED 30/9/2009</b>	<b>QUARTER ENDED 30/9/2008</b>
Profit attributable to the equity holders of the Company	(RM' m)	<b>615</b>	480	<b>1,756</b>	1,740
Shares assumed in issue pursuant to the Pre-Listing Restructuring	(' m)	<b>7,500</b>	7,500	<b>7,500</b>	7,500
Basic earnings per share	(sen)	<b>8.2</b>	6.4	<b>23.4</b>	23.2

By order of the Board

Dipak Kaur  
 (LS 5204)  
 Company Secretary  
 30 November 2009  
 Kuala Lumpur