MAXIS BERHAD

(867573 - A)

(INCORPORATED IN MALAYSIA)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

ANNOUNCEMENT

The Board of Directors of Maxis Berhad ("Maxis" or "the Company") is pleased to announce the following condensed consolidated financial statements for the fourth quarter ended 31 December 2017 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the audited condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

		INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		QUARTER ENDED 31/12/2017 (Unaudited)	QUARTER ENDED 31/12/2016 (Unaudited)	+ -	**YEAR ENDED 31/12/2017 (Audited)**	YEAR ENDED 31/12/2016 (Audited)	+ -
	Note	**RM'm**	RM'm (Restated)	%	**RM'm**	RM'm (Restated)	%
Revenue		**2,150**	2,214	-3	**8,696**	8,612	+1
Traffic, commissions and other direct costs		**(448)**	(532)		**(1,955)**	(2,140)	
Spectrum licence fees		**(57)**	(38)		**(198)**	(147)	
Network costs		**(190)**	(206)		**(787)**	(792)	
Staff and resource costs		**(146)**	(132)		**(576)**	(527)	
Operation and maintenance costs		**(107)**	(129)		**(342)**	(319)	
Marketing costs		**(35)**	(44)		**(160)**	(196)	
Impairment of receivables and deposits, net		**(29)**	(17)		**(94)**	(82)	
Government grant and other income		**64**	62		**234**	204	
Other operating expenses		**(27)**	(9)		**(122)**	(30)	
Depreciation and amortisation		**(383)**	(385)		**(1,418)**	(1,431)	
Finance income		**12**	14		**61**	55	
Finance costs		**(94)**	(123)		**(445)**	(470)	
Profit before tax	19	**710**	675	+5	**2,894**	2,737	+6
Tax expenses	20	**(151)**	(170)		**(702)**	(724)	
Profit for the period/year		**559**	505	+11	**2,192**	2,013	+9
Attributable to:							
- equity holders of the Company		**559**	504	+11	**2,192**	2,013	+9
- non-controlling interest		**-**	1		**-**	*	
		559	505	+11	**2,192**	2,013	+9
Earnings per share attributable to equity holders of the Company (sen):							
- basic	27	**7.2**	6.7		**28.6**	26.8	
- diluted	27	**7.2**	6.7		**28.6**	26.8	

Note:

* Less than RM1 million.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2017 (Unaudited)	QUARTER ENDED 31/12/2016 (Unaudited)	**YEAR ENDED 31/12/2017 (Audited)**	YEAR ENDED 31/12/2016 (Audited)
	RM'm	RM'm	**RM'm**	RM'm
Profit for the period/year	**559**	505	**2,192**	2,013
Other comprehensive income/(expense)				
Item that will be reclassified subsequently to profit or loss:				
Net change in cash flow hedge	**2**	19	**(32)**	(29)
Total comprehensive income for the period/year	**561**	524	**2,160**	1,984
Attributable to:				
- equity holders of the Company	**561**	523	**2,160**	1,984
- non-controlling interest	**-**	1	**-**	*
	561	524	**2,160**	1,984

Note:

* Less than RM1 million.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

AUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	AS AT 31/12/2017 RM'm	AS AT 31/12/2016 RM'm
Non-current assets			
Property, plant and equipment	8	**4,841**	4,502
Intangible assets [1]		**11,354**	11,297
Receivables, deposits and prepayments	24	**802**	871
Derivative financial instruments	23	**2**	470
Deferred tax assets		**8**	45
		17,007	17,185
Current assets			
Inventories		**5**	6
Receivables, deposits and prepayments	24	**1,582**	1,582
Amount due from penultimate holding company		**1**	1
Amounts due from related parties		**29**	22
Derivative financial instruments	23	**-**	144
Tax recoverable		**23**	21
Deposits, cash and bank balances		**602**	682
		2,242	2,458
Total assets		**19,249**	19,643
Current liabilities			
Provisions for liabilities and charges		**111**	97
Payables and accruals		**3,299**	3,633
Amounts due to fellow subsidiaries		**2**	-
Amounts due to related parties		**23**	14
Borrowings	22	**206**	1,101
Derivative financial instruments	23	**1**	-
Taxation		**291**	152
		3,933	4,997
Net current liabilities		**(1,691)**	(2,539)

Note:

[1] Includes telecommunications licenses with allocated spectrum rights and goodwill of RM10,707 million and RM219 million respectively, arising from acquisition of subsidiaries.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

AUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

	Note	AS AT 31/12/2017 RM'm	AS AT 31/12/2016 RM'm
Non-current liabilities			
Provisions for liabilities and charges		**170**	164
Payables and accruals		**227**	418
Borrowings	22	**7,440**	8,763
Deferred tax liabilities		**437**	580
		8,274	9,925
Net assets		**7,042**	4,721
Equity			
Share capital		**2,469**	751
Reserves		**4,573**	3,970
Total equity		**7,042**	4,721
Net assets per share (RM)		**0.90**	0.63

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31/12/2017	Share capital	Share premium	Merger relief [2]	Reserve arising from reverse acquisition	Other reserves	Retained earnings	Total equity
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
Balance as at 1/1/2017	751	62	22,729	(22,729)	145	3,763	4,721
Transition to no par value regime [3]	62	(62)	-	-	-	-	-
Profit for the year	-	-	-	-	-	2,192	2,192
Other comprehensive expense for the year	-	-	-	-	(32)	-	(32)
Total comprehensive (expense)/income for the year	-	-	-	-	(32)	2,192	2,160
Issuance of new shares, net of expenses	1,655	-	-	-	-	-	1,655
Dividends for the financial year ended 31 December 2016	-	-	-	-	-	(376)	(376)
Dividends for the financial year ended 31 December 2017	-	-	-	-	-	(1,157)	(1,157)
Employee Share Option Scheme ("ESOS") and Long-term Incentive Plan ("LTIP"):							
- share-based payment expense	-	-	-	-	37	-	37
- shares issued	1	*	-	-	*	-	1
Incentive arrangement:							
- share-based payment expense	-	-	-	-	4	-	4
- shares acquired	-	-	-	-	(3)	-	(3)
Balance as at 31/12/2017	2,469	-	22,729	(22,729)	151	4,422	7,042

Notes:

(2) Pursuant to Section 60(4)(a) of the Companies Act, 1965, the premium on the shares issued by the Company as consideration for the acquisition of subsidiaries during the financial year ended 31 December 2009 is not recorded as share premium. The difference between the issue price and the nominal value of shares issued is classified as merger relief.

(3) Pursuant to Section 618(2) of the Companies Act, 2016 ("New Act") which came into effect on 31 January 2017, the credit standing in the share premium account of RM62m has been transferred to and became part of the share capital account. Pursuant to Section 618(3) of the New Act, the Group may exercise its rights to use the credit amounts from share premium account within 24 months after the commencement of the New Act. The Board of Directors will make a decision thereon by 31 January 2019.

* Less than RM1 million.

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AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Attributable to equity holders of the Company								
Year ended 31/12/2016	Share capital	Share premium	Merger relief	Reserve arising from reverse acquisition	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm	RM'm
Balance as at 1/1/2016	751	60	23,004	(22,729)	141	2,963	4,190	30	4,220
Profit for the year	-	-	-	-	-	2,013	2,013	*	2,013
Other comprehensive expense for the year	-	-	-	-	(29)	-	(29)	-	(29)
Total comprehensive (expense)/income for the year	-	-	-	-	(29)	2,013	1,984	*	1,984
Dividends for the financial year ended 31 December 2015	-	-	(275)	-	-	(101)	(376)	-	(376)
Dividends for the financial year ended 31 December 2016	-	-	-	-	-	(1,126)	(1,126)	-	(1,126)
ESOS and LTIP:									
- share-based payment expense	-	-	-	-	31	-	31	-	31
- shares issued	*	2	-	-	*	-	2	-	2
Incentive arrangement:									
- share-based payment expense	-	-	-	-	8	-	8	-	8
- shares acquired	-	-	-	-	(6)	-	(6)	-	(6)
Changes in equity interest in a subsidiary	-	-	-	-	-	14	14	(30)	(16)
Balance as at 31/12/2016	751	62	22,729	(22,729)	145	3,763	4,721	-	4,721

Note:

* Less than RM1 million.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	YEAR ENDED 31/12/2017	YEAR ENDED 31/12/2016
	RM'm	RM'm
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	2,192	2,013
Adjustments for:		
- non-cash items	1,594	1,538
- finance costs	445	470
- finance income	(61)	(55)
- tax expenses	702	724
Payments for provision for liabilities and charges	(98)	(92)
Operating cash flows before working capital changes	4,774	4,598
Changes in working capital	(317)	(941)
Cash flows from operations	4,457	3,657
Interest received	36	36
Tax paid	(671)	(593)
Net cash flows from operating activities	3,822	3,100
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	(455)	(371)
Purchase of property, plant and equipment	(1,492)	(1,487)
Proceeds from disposal of property, plant and equipment	5	28
Placement of deposits with maturity of more than three months	(3)	(20)
Net cash flows used in investing activities	(1,945)	(1,850)
CASH FLOWS FROM FINANCING ACTIVITIES		
Acquisition of additional interest in a subsidiary	-	(16)
Proceeds from issuance of shares pursuant to private placement	1,655	-
Proceeds from issuance of shares pursuant to ESOS	1	2
Shares acquired pursuant to incentive arrangement	(3)	(6)
Drawdown of borrowings	744	7,790
Repayment of borrowings	(2,415)	(7,631)
Repayment of lease financing	(7)	(7)
Repayment of loan from a related party	-	(29)
Payments of finance costs	(402)	(485)
Ordinary share dividends paid	(1,533)	(1,502)
Net cash flows used in financing activities	(1,960)	(1,884)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(83)	(634)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	662	1,296
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR[4]	579	662

Note:

[4] The difference between the cash and cash equivalents and deposits, cash and bank balances represent deposits with financial institutions that carry maturity periods of more than three months.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017

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

1. BASIS OF PREPARATION

The quarterly report has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standard ("MFRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Securities Listing Requirements") and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the audited condensed consolidated financial statements.

The significant accounting policies and methods adopted for the audited condensed consolidated financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2016 except for changes made to:

(i) comply to the requirements of the New Act; and
(ii) the presentation of the statements of profit or loss as management is of the view this will be more useful to the financial statements users. As a result, certain reclassifications were made to the comparatives of the statements of profit and loss to conform to the current financial year's presentation.

The adoption of the following amendments to MFRS and improvements to published standards that came into effect on 1 January 2017 did not have any significant impact on the audited condensed consolidated financial statements upon their initial application.

• Amendments to MFRS 107	Disclosure Initiative
• Amendments to MFRS 112	Recognition of Deferred Tax Assets for Unrealised Losses
• Annual Improvements to MFRSs	2014-2016 Cycle

MFRSs, amendments to MFRSs and IC Interpretation that are applicable to the Group but not yet effective

The Malaysian Accounting Standards Board had issued the following new standards, amendments to MFRSs and IC Interpretation. All of which are effective for the financial period beginning on or after 1 January 2018 unless otherwise mentioned. The Group did not early adopt these new standards, amendments to MFRSs and IC Interpretation.

• MFRS 9	Financial Instruments
• MFRS 15 and amendments to MFRS 15	Revenue from Contracts with Customers
• MFRS 16	Leases (effective from 1 January 2019)
• Amendments to MFRS 2	Classification and Measurement of Share-based Payment Transactions
• IC Interpretation 22	Foreign Currency Transactions and Advance Consideration
• IC Interpretation 23	Uncertainty over Income tax Treatments (effective from 1 January 2019)

2. SEASONAL / CYCLICAL FACTORS

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

3. UNUSUAL ITEMS

Save for those disclosed in Note 5 and 15, there were no other significant unusual items affecting the assets, liabilities, equity, net income or cash flows for the financial year ended 31 December 2017.

4. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect in the financial year ended 31 December 2017, except for the change in asset useful lives of certain telecommunication equipment.

The above change in estimates for the current quarter and for the financial year ended 31 December 2017 have reduced the carrying value of property, plant and equipment by RM1 million and RM17 million respectively with a corresponding additional depreciation charge to statements of profit or loss.

5. DEBT AND EQUITY SECURITIES

Save for below items, there were no other issuance, repurchase and repayment of debts and equity securities by the Group and the Company during the financial year ended 31 December 2017:

(a) Maxis Broadband Sdn. Bhd. ("MBSB"), a wholly-owned subsidiary of the Company, entered into term loan facility agreements with financial institutions for United States Dollar ("USD") 50 million (equivalent to RM222 million) and Singapore Dollar ("SGD") 70 million (equivalent to RM222 million) with corresponding Cross Currency Interest Rate Swaps ("CCIRS") contracts to hedge against exchange and interest rates fluctuation on these loans.

The loans had been fully drawn down to part settle the remaining purchase consideration in relation to the purchase of businesses and undertakings including relevant assets and liabilities of the Company's wholly-owned subsidiaries under the internal reorganisation as announced by the Company on 2 December 2015.

These loans were subsequently repaid in full in the current financial year, resulting in an annualised interest savings of RM21 million;

(b) On 24 February 2017, MBSB issued its fourth series of the Unrated Islamic Medium Term Notes ("Sukuk Murabahah") for a nominal value of RM300 million for working capital purposes. Total nominal value of Sukuk Murabahah issued as at 31 December 2017 amounted to RM4,090 million;

(c) MBSB partially repaid its revolving credit by RM300 million, resulting in an annualised interest savings of RM13 million;

5. DEBT AND EQUITY SECURITIES (CONTINUED)

(d) MBSB partially repaid its Commodity Murabahah Term Financing facilities by RM210 million, resulting in an annualised interest savings of RM9 million;

(e) The Company made an early repayment of all its existing USD and SGD borrowings and their CCIRS contracts totalling to RM1,461 million, resulting in an annualised interest savings of RM68 million;

(f) On 30 June 2017, the Company issued 300 million new ordinary shares at an issue price of RM5.52 per share ("Placement Shares") pursuant to a private placement exercise. This exercise was completed on 3 July 2017 and the proceeds had been fully utilised to repay the borrowings of the Group and of the Company and their related incidental costs as intended.

The Placement Shares rank pari passu in all respects with the existing ordinary shares of the Company; and

(g) 250,600 ordinary shares were issued under the ESOS.

6. DIVIDENDS PAID

The following single-tier tax exempt dividends were paid during the financial year ended 31 December 2017:

	RM'm
In respect of the financial year ended 31 December 2016:	
- Fourth interim dividend of 5.0 sen per ordinary share, paid on 28 March 2017	**376**
In respect of the financial year ended 31 December 2017:	
- First interim dividend of 5.0 sen per ordinary share, paid on 29 June 2017	**376**
- Second interim dividend of 5.0 sen per ordinary share, paid on 28 September 2017	**390**
- Third interim dividend of 5.0 sen per ordinary share, paid on 28 December 2017	**391**
	1,533

7. SEGMENT REPORTING

Segment reporting is not presented as the Group is primarily engaged in providing integrated telecommunication services in Malaysia.

8. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

There were no revaluations of property, plant and equipment during the financial year ended 31 December 2017. As at 31 December 2017, all property, plant and equipment were stated at cost less accumulated depreciation and impairment losses.

9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 30 January 2018, a wholly-owned subsidiary of the Group accepted the reissuance offer from Malaysian Communications and Multimedia Commission of its 2100MHz Spectrum Assignment ("SA") for an upfront price component fee of RM118.4 million and an annual fixed fee of RM50 million for the SA period. The SA is valid for 16 years and will be effective 2 April 2018. The upfront fee was paid in full together with the acceptance of the offer.

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial year ended 31 December 2017.

11. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

In the normal course of business, there are contingent liabilities arising from legal recourse sought by the Group's customers or vendors and indemnities given to financial institutions on bank guarantees. There were no material losses anticipated as a result of these transactions.

12. CAPITAL COMMITMENTS

Capital expenditure for property, plant and equipment approved by the Board of Directors and not provided for in the audited condensed consolidated financial statements as at 31 December 2017 are as follows:

	RM'm
Contracted for	**257**
Not contracted for	**653**
	910

13. SIGNIFICANT RELATED PARTY DISCLOSURES

The significant related party transactions, balances and commitments described below were carried out in the ordinary course of business and on agreed commercial terms with the related parties.

	Transactions for the financial year ended 31/12/2017	Balances due from/(to) as at 31/12/2017	Commitments as at 31/12/2017	Total balances due from/(to) and commitments as at 31/12/2017
	RM'm	RM'm	RM'm	RM'm
(a) Sales of goods and services to:				
- MEASAT Broadcast Network Systems Sdn. Bhd. (1) (telephony and broadband services)	98	17	-	17
- MEASAT Global Berhad Group (2) (revenue share for the leasing of satellite bandwidth)	6	7	-	7
(b) Purchases of goods and services from:				
- MEASAT Global Berhad Group(2) (transponder and teleport lease rental)	47	(4)	(9)	(13)
- Saudi Telecom Company ("STC") (3) (roaming and international calls)	4	(10)	-	(10)
- Tanjong City Centre Property Management Sdn. Bhd.(4) (rental, signage, parking and utility charges)	33	4	(198)	(194)
- UTSB Management Sdn. Bhd.(4) (corporate management services)	27	(5)	(46)	(51)
- SRG Asia Pacific Sdn. Bhd.(5) (call handling and telemarketing services)	15	(3)	-	(3)

13. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

	Transactions for the financial year ended 31/12/2017	Balances due from/(to) as at 31/12/2017	Commitments as at 31/12/2017	Total balances due from/(to) and commitments as at 31/12/2017
	RM'm	RM'm	RM'm	RM'm
(c) Purchases of goods and services from (continued):				
- Aircel Limited Group[6]				
(interconnect, roaming and international calls)	6	*	-	*
- MBNS Multimedia Technologies Sdn. Bhd. and/or its related corporations[1]				
(goods and services)	-	-	(3)	(3)

Notes:

* Less than RM1 million

The Group has entered into the above related party transactions with parties whose relationships are set out below.

Usaha Tegas Sdn. Bhd. ("UTSB"), STC and Harapan Nusantara Sdn. Bhd. are parties related to the Company, by virtue of having joint control over Binariang GSM Sdn. Bhd. ("BGSM"), pursuant to a shareholders' agreement in relation to BGSM. BGSM is the ultimate holding company of the Company.

The ultimate holding company of UTSB is PanOcean Management Limited ("PanOcean"). PanOcean is the trustee of a discretionary trust, the beneficiaries of which are members of the family of Ananda Krishnan Tatparanandam ("TAK") and foundations including those for charitable purposes. Although PanOcean is deemed to have an interest in the shares of the Company shares in which UTSB has an interest, it does not have any economic or beneficial interest over the shares of the Company, as such interest is held subject to the terms of the discretionary trust.

(1) Subsidiary of a company which is an associate of UTSB
(2) Subsidiary of a company in which TAK has a 99.999% direct equity interest
(3) A major shareholder of BGSM, as described above
(4) Subsidiary of UTSB
(5) Subsidiary of a company whereby a person connected to TAK has a deemed equity interest
(6) Subsidiary of BGSM

14. FAIR VALUE MEASUREMENTS

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Financial instruments carried at amortised cost

The carrying amounts of financial assets and liabilities of the Group approximated their fair values as at 31 December 2017 except as set out below, measured using Level 3 valuation technique:

	CARRYING AMOUNT	FAIR VALUE
	RM'm	RM'm
Financial asset:		
Receivables, deposits and prepayments	67	60
Financial liability:		
Borrowings		
- finance lease liabilities	1	1
- Islamic Medium Term Notes	4,144	4,220

(b) Financial instruments carried at fair value

The following table represents the assets and liabilities measured at fair value, using Level 2 valuation technique, as at 31 December 2017:

	RM'm
Recurring fair value measurements	
Derivative financial instruments (interest rate swap and forward foreign exchange contracts):	
- assets	2
- liabilities	(1)

The valuation technique used to derive the Level 2 valuation is as disclosed in Note 23.

15. ANALYSIS OF PERFORMANCE

Financial indicators (RM'm unless otherwise indicated)	4th Quarter 2017 (unaudited)	3rd Quarter 2017[1] (unaudited)	4th Quarter 2016[1] (unaudited)	Variance Q4'17 vs Q3'17		Variance Q4'17 vs Q4'16	
				RM'm	%	RM'm	%
Revenue	**2,150**	2,217	2,214	(67)	(3)	(64)	(3)
Service revenue[2]	**2,119**	2,155	2,165	(36)	(2)	(46)	(2)
EBITDA[3]	**1,184**	1,191	1,158	(7)	(1)	26	2
Adjusted for:							
Unrealised foreign exchange (gains)/losses	***(29)***	*(4)*	*25*	*(25)*	*>100*	*(54)*	*>(100)*
Service fee charge[4]	***-***	*-*	*4*	*-*	*-*	*(4)*	*(100)*
Upfront spectrum assignment ("SA") fees charged out[5]	***14***	*14*	*-*	*-*	*-*	*14*	*100*
Normalised EBITDA	**1,169**	1,201	1,187	(32)	(3)	(18)	(2)
Normalised EBITDA margin on service revenue (%)	**55.2**	55.7	54.8	NA	(0.5)	NA	0.4
Profit before tax	**710**	727	675	(17)	(2)	35	5
Profit for the period	**559**	554	505	5	1	54	11
Adjusted for:							
Unrealised foreign exchange (gains)/losses	***(29)***	*(4)*	*25*	*(25)*	*>100*	*(54)*	*>(100)*
Service fee charge[4]	***-***	*-*	*4*	*-*	*-*	*(4)*	*(100)*
Accelerated depreciation due to IT and network modernisation programmes[6]	***-***	*-*	*28*	*-*	*-*	*(28)*	*(100)*
Tax effects of the normalisation adjustments	***7***	*1*	*(14)*	*6*	*>100*	*21*	*>100*
Normalised profit for the period	**537**	551	548	(14)	(3)	(11)	(2)
Capital expenditure ("Capex")	**382**	273	448	109	40	(66)	(15)
Free cash flow	**476**	**428**	(611)	48	11	1,087	>100

Notes:
[1] The comparative results were restated to provide more comparable information with the current period.
[2] Service revenue is defined as Group revenue excluding device, hubbing revenues and network income.
[3] Defined as profit before finance income, finance costs, tax, depreciation, amortisation and allowance for write down of identified network costs.
[4] Service fees accrued for prior years which are no longer required and written back in 2nd Quarter 2017.
[5] Charge out of SA renewal costs prepaid for license period.
[6] The IT and network modernisation programmes enabled the Group to strengthen its access network to enhance the customer experience and usage to drive revenue growth. The modernisation programmes also lowered overall operational costs and simplified the network architecture.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

Operational indicators	4th Quarter 2017	3rd Quarter 2017	4th Quarter 2016	Variance Q4'17 vs Q3'17		Variance Q4'17 vs Q4'16	
				'000	%	'000	%
Revenue generating subscriptions ("RGS") ('000)	**10,002**	10,112	10,851	(110)	(1)	(849)	(8)
- Postpaid	***2,853***	*2,805*	*2,712*	*48*	*2*	*141*	*5*
- Prepaid	***6,997***	*7,154*	*7,946*	*(157)*	*(2)*	*(949)*	*(12)*
- Wireless Broadband	***152***	*153*	*193*	*(1)*	*(1)*	*(41)*	*(21)*
ARPU (Monthly) (RM)							
- Postpaid	***103***	*102*	*104*	*1*	*1*	*(1)*	*(1)*
- Prepaid	***41***	*42*	*42*	*(1)*	*(2)*	*(1)*	*(2)*
- Wireless Broadband	***79***	*75*	*71*	*4*	*5*	*8*	*11*
- Blended	***59***	*59*	*57*	*-*	*-*	*2*	*4*

(A) Performance of the current quarter against the preceding quarter (4th Quarter 2017 versus 3rd Quarter 2017)

Service revenue for Q4 2017 of RM2,119 million was 2.0% lower than the preceding quarter of RM2,155 million, mainly due to the decline in Prepaid, which offset the growth in Postpaid.

Postpaid service revenue grew by 2.0% during the quarter to RM1,076 million on account of a higher RGS base and ARPU. Postpaid RGS grew by 48k, contributed by the growth in the MaxisONE Plan subscriber base, which exceeded 2 million subscribers in the current quarter. This was driven by the enhanced device ownership propositions which continued to attract high ARPU customers. The Postpaid subscription base stood at 2.9 million and monthly ARPU increased to RM103 for the current quarter.

Prepaid service revenue declined by 5.3% to RM904 million. The decline was due to the lower subscription base in the current quarter which was impacted by the continued SIM consolidation, migration from Prepaid to Postpaid and intense price-focused competition in the market. Whilst ARPU declined marginally to RM41 per month, ARPU for the Hotlink FAST remained steady at RM43 per month, supported by the high mobile internet usage.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(A) Performance of the current quarter against the preceding quarter (4th Quarter 2017 versus 3rd Quarter 2017) (continued)

The Group ended the quarter with 6.2 million 4G LTE users (Q3'17: 6.0 million) with average usage of 8.7GB per month (Q3'17: 7.4GB). The increase was partly driven by the high smart-phone penetration which stood at 81% on a blended basis, in addition to the increase in data usage per subscriber. The Group continued to lead the market in terms of coverage, quality and unmatched digital experience with 4G LTE network at 92% population coverage on a comparable peer basis. The Group achieved another all-time high touch point net promoter score of +53.

Normalised EBITDA declined by 2.7% to RM1,169 million with a 55.2% margin on service revenue, against RM1,201 million and 55.7% respectively in the previous quarter. This was mainly driven by lower total revenue, a one-off operation and maintenance cost and realised foreign exchange losses with partial offset from cost optimisation initiatives in the quarter. Consequently, the Group reported lower normalised profit of RM537 million compared to RM551 million in the preceding quarter.

Capex increase of RM109 million was mainly due to higher investment in network capacity during the quarter. Free cash flow for the quarter was RM476 million, an increase of 11% compared to the preceding quarter. The increase was mainly due to lower capex payments in Q4 2017.

(B) Performance of the current quarter against the preceding year corresponding quarter (4th Quarter 2017 versus 4th Quarter 2016)

Service revenue for Q4 2017 of RM2,119 million was 2% lower than Q4 2016, mainly due to the decline in Prepaid, which offset the growth in Postpaid.

Postpaid service revenue grew by 6.5% from RM1,010 million (restated to include all inbound roaming revenue) in Q4 2016 to RM1,076 million in the current quarter. The strong growth was driven by the enhanced device ownership propositions which continued to attract high ARPU customers, contributing to a high RGS base for MaxisONE Plan of over 2.0 million in Q4 2017 (Q4'16: 1.7 million). Postpaid ARPU remained relatively stable at RM103 per month (Q4'16: RM104 per month).

Prepaid service revenue declined by 11.1% from RM1,018 million (restated to exclude inbound roaming revenue) in Q4 2016 to RM904 million in the current quarter. The decline was due to the lower subscription base which was impacted by the continued SIM consolidation, migration to Postpaid and intense competition, as mentioned above. Whilst Prepaid ARPU declined marginally to RM41 per month, ARPU for the Hotlink FAST remained steady at RM43 per month, supported by the high mobile internet usage.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(B) Performance of the current quarter against the preceding year corresponding quarter (4th Quarter 2017 versus 4th Quarter 2016) (continued)

Demand for data continued to grow with 6.2 million 4G LTE users (Q4'16: 4.6 million) and an average usage of 8.7GB per month (Q4'16: 5.9GB). This was supported by the increase in smart-phone penetration which stood at 81% on a blended basis. The Group continued to lead the market with its expanded 4G LTE network at 92% population coverage, enabling customers to enjoy high speed and unmatched digital experience. In addition, the Group recorded an all-time high touch point net promoter score of +53 in the current quarter compared to +39 in Q4 2016.

Normalised EBITDA stood at RM1,169 million with a margin on service revenue of 55.2% against RM1,187 million and 54.8% respectively in Q4 2016. This was mainly attributable to the lower total revenue, a one-off operation and maintenance cost and higher realised foreign exchange losses in Q4 2017. The improved margin on service revenue was mainly a result of cost optimisation initiatives in Q4 2017. Consequently, normalised profit for the quarter was lower at RM537 million (Q4'16: RM548 million).

Capex for the current quarter decreased by RM66 million to RM382 million, mainly attributable to the completion of network modernisation in Q4 2016. Free cash flow for the quarter was RM476 million, compared to a net cash outflow of RM611 million in the preceding year corresponding quarter mainly due to higher capex payments and upfront spectrum fees of RM817 million paid in Q4 2016.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(C) Performance of the current year against the preceding year (Year 2017 versus Year 2016)

Financial indicators (RM'm unless otherwise indicated)	YTD 2017	YTD 2016[1]	Variance	% Variance
Revenue	**8,696**	8,612	84	1
Service revenue[2]	**8,525**	8,455	70	1
EBITDA[3]	**4,709**	4,551	158	3
Adjusted for:				
Home services - Reversal of contract obligation Provision	**-**	*(47)*	*47*	*100*
Unrealised foreign exchange gains	***(78)***	*(20)*	*(58)*	*>(100)*
Service fee (reduction)/charge [4]	***(62)***	*18*	*(80)*	*>(100)*
Upfront SA fees charged out [5]	***28***	*-*	*28*	*100*
Normalised EBITDA	**4,597**	4,502	95	2
Normalised EBITDA margin on service revenue (%)	**53.9**	53.2	NA	0.7
Profit before tax	**2,894**	2,737	157	6
Profit for the year	**2,192**	2,013	179	9
Adjusted for:				
Accelerated depreciation due to IT and network modernisation programmes [6]	**-**	*49*	*(49)*	*(100)*
Home services:				
• *Reversal of contract obligation provision*	**-**	*(47)*	*47*	*100*
• *Reversal of asset impairment*	**-**	*(47)*	*47*	*100*
Unrealised foreign exchange gains	***(78)***	*(20)*	*(58)*	*>(100)*
Service fee (reduction)/charge [4]	***(62)***	*18*	*(80)*	*>(100)*
Tax effects of the above adjustments	***34***	*11*	*23*	*>100*
Normalised profit for the year	**2,086**	1,977	109	6
Capex	**1,029**	1,185	(156)	(13)
Free cash flow	**1,468**	758	710	94

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(C) Performance of the current year against the preceding year (Year 2017 versus Year 2016) (continued)

Notes:

(1) The comparative results were restated to provide more comparable information with the current year.
(2) Service revenue is defined as Group revenue excluding device, hubbing revenues and network income.
(3) Defined as profit before finance income, finance costs, tax, depreciation, amortisation and allowance for write down of identified network costs.
(4) Service fees accrued for prior years which are no longer required.
(5) Charge out of SA renewal costs prepaid for license period.
(6) The IT and network modernisation programmes enabled the Group to strengthen its access network to enhance the customer experience and usage to drive revenue growth. The modernisation programmes also lowered overall operational costs and simplified the network architecture.

Operational indicators	Year 2017	Year 2016	Variance	% Variance
RGS ('000)	**10,002**	10,851	(849)	(8)
- Postpaid	***2,853***	*2,712*	*141*	*5*
- Prepaid	***6,997***	*7,946*	*(949)*	*(12)*
- Wireless Broadband	***152***	*193*	*(41)*	*(21)*
ARPU (Monthly) (RM)				
- Postpaid	***102***	*102*	*-*	*-*
- Prepaid	***42***	*40*	*2*	*5*
- Wireless Broadband	***74***	*71*	*3*	*4*
- Blended	***58***	*56*	*2*	*4*

The Group recorded a higher service revenue of RM8,525 million (Year 2016: RM8,455 million).

Postpaid service revenue grew 4.2% to RM4,117 million (restated Year 2016: RM3,951 million) supported by a solid MaxisONE subscription base of above 2.0 million. The Group added 370k new MaxisONE subscriptions with an average monthly ARPU of RM119, higher than the average monthly Postpaid ARPU of RM102 for year 2017. The strong growth was primarily due to the enhanced value in both the MaxisONE Plan and device ownership propositions.

Prepaid service revenue declined by 3.7% to RM3,849 million (restated Year 2016: RM3,997 million), mainly attributed to a lower subscription base, which was impacted by the continued SIM consolidation, migration to Postpaid and intense competition, as mentioned above. The impact was partly mitigated by the higher average ARPU of RM42 per month (Year 2016: RM40 per month) which was driven by higher mobile internet revenue.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(C) Performance of the current year against the preceding year (Year 2017 versus Year 2016) (continued)

Demand for data continued to grow across the Group's customer base with average data usage almost doubling from 4.1GB to 7.4GB per month. This was supported by the increase in smart-phone penetration which stood at 81% on a blended basis. The Group's extensive 4G LTE network at 92% population coverage continued to be an important driver for enabling customers to enjoy high speed and unmatched digital experience.

Normalised EBITDA and EBITDA margin on service revenue stood at RM4,597 million and 53.9% (Year 2016: RM4,502 million and 53.2%) respectively, mainly a result of higher revenue base, efficient marketing spend and cost optimisation initiatives that were partially offset by higher resource costs. Consequently, normalised profit for the year was higher at RM2,086 million (Year 2016: RM1,977 million).

Capex for the year was 13% lower than the preceding year due to the completion of network modernisation and lower investment in 4G LTE rollout as we reached a high 4G LTE population coverage of 92%, with partial offset from higher investment in IT modernisation. Free cash flow for the year was RM1,468 million compared to RM758 million in the preceding year mainly due to the said upfront spectrum fee payment in Q4 2016.

15. ANALYSIS OF PERFORMANCE (CONTINUED)

(D) STATEMENT OF FINANCIAL POSITION

Financial indicators (RM'm unless otherwise indicated)	AS AT 31/12/2017	AS AT 31/12/2016
Total assets	19,249	19,643
Total equity	7,042	4,721
Debt [(1)]	7,643	9,253
Deposits, cash and bank balances	602	682
Net debt	7,041	8,571
Net debt-to-EBITDA	1.50	1.88

Notes:
[(1)] Debt Includes derivative financial instruments designated for hedging relationship on borrowings but excludes vendor financing.

Total assets decreased by RM394 million mainly due to early settlements of favourable CCIRS contracts following the loan settlements as explained in Note 5(e).

On 30 June 2017, the Company issued new shares pursuant to the private placement exercise as disclosed in Note 5(f), which increased total equity as at 31 December 2017. The proceeds raised of RM1,655 million was utilised to repay borrowings and related incidental costs, and hence net debt-to-EBITDA reduced from 1.88x as at 31 December 2016 to 1.50x as at 31 December 2017.

16. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2018

Market is expected to remain competitive as data quality and pricing continues to be the focus for customers and competition.

Maxis remains committed to provide unmatched digital customer experience by leveraging on our leading 4G LTE network coverage and quality. In the Postpaid segment, we will continue to innovate and build upon the strong positions of MaxisONE plan, coupled with enhanced device propositions. In the Prepaid segment, we will maintain our focus on engaging high mobile internet users, offering differentiated digital propositions.

In view of the above but taking into account the impact from progressive termination of a network sharing arrangement, we expect service revenue to decline in low single digits with EBITDA declining at mid single digit level for the financial year ending 31 December 2018. We will also continue to invest to maintain our network superiority. However, given the high investments in preceding years, base capital expenditure is expected to be around RM1.0 billion and free cash flow (excluding upfront spectrum assignment fees) is expected to be at a similar level to financial year 2017.

17. PROFIT FORECAST OR PROFIT GUARANTEE

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

18. QUALIFICATION OF PRECEDING AUDITED FINANCIAL STATEMENTS

There was no qualification to the preceding audited financial statements for the financial year ended 31 December 2016.

19. PROFIT BEFORE TAX

The following items have been charged/(credited) in arriving at the profit before tax:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2017	QUARTER ENDED 31/12/2016	**YEAR ENDED 31/12/2017**	YEAR ENDED 31/12/2016
	RM'm	RM'm	**RM'm**	RM'm
Fair value losses/(gains) on forward foreign exchange contracts	**5**	(12)	**13**	(9)
(Gains)/losses on foreign exchange	**(15)**	47	**(59)**	19
Property, plant and equipment:				
- gain on disposal	**(1)**	(16)	**(5)**	(19)
- write offs/impairment loss, net of reversals	**12**	6	**18**	(13)
Reversal of contract obligation provision	**(4)**	-	**(4)**	(47)

Other than as presented in the statements of profit or loss and as disclosed above, there were no material gains/losses on disposal of quoted and unquoted investments or properties and other exceptional items for the current quarter and financial year ended 31 December 2017.

20. TAX EXPENSES

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2017	QUARTER ENDED 31/12/2016	**YEAR ENDED 31/12/2017**	YEAR ENDED 31/12/2016
	RM'm	RM'm	**RM'm**	RM'm
Income tax:				
- current tax	**128**	4	**788**	642
- under/(over) accrual in prior years	**-**	-	**20**	(15)
Deferred tax:				
- origination and reversal of temporary differences	**23**	166	**(87)**	92
- recognition and reversal of prior years' temporary differences	**-**	-	**(19)**	5
Total	**151**	170	**702**	724

20. TAX EXPENSES (CONTINUED)

The Group's effective tax rate for the current quarter was 21.2% and is lower than the standard corporate tax rate of 24%. As announced in the Malaysian Budget 2017, the Group is eligible for a tax rate reduction up to 4% when its incremental taxable income as compared to the preceding year of assessment increases by certain threshold.

The Group's effective tax rate for the financial year ended 31 December 2017 was 24.3% as the above benefits have been offset by certain non-tax deductible expenses.

21. STATUS OF CORPORATE PROPOSALS ANNOUNCED

There were no corporate proposals announced but not completed.

22. BORROWINGS

The borrowings as at 31 December 2017 versus 31 December 2016 are as follows:

	AS AT 31 DECEMBER 2017					
	CURRENT LIABILITIES		NON-CURRENT LIABILITIES		TOTAL BORROWINGS	
	Foreign Currency ('mil)	RM'mil	Foreign Currency ('mil)	RM'mil	Foreign Currency ('mil)	RM'mil
Secured						
Finance lease liabilities	-	6	-	1	-	7
Unsecured						
Revolving credit	-	200	-	-	-	200
Term loan[1]	-	-	-	1,000	-	1,000
Commodity Murabahah					-	
Term Financing	-	-	-	2,295		2,295
Islamic Medium Term Notes	-	-	-	4,144	-	4,144
		206		7,440		7,646
Weighted average interest rate of borrowings						4.67%
Proportion of borrowings between fixed and floating interest rates						61% : 39%

Notes:
[1] The term loan facility has been partially hedged using IRS as disclosed in Note 23.

Material changes to borrowings for the financial year ended 31 December 2017 are disclosed in Note 5.

22. BORROWINGS (CONTINUED)

	AS AT 31 DECEMBER 2016					
	CURRENT LIABILITIES		NON-CURRENT LIABILITIES		TOTAL BORROWINGS	
	Foreign Currency ('mil)	RM'mil	Foreign Currency ('mil)	RM'mil	Foreign Currency ('mil)	RM'mil
Secured						
Finance lease liabilities	-	11	-	2	-	13
Unsecured						
Revolving credit	-	500	-	-	-	500
Term loans						
- *RM* [(1)]	-	-	-	1,001	-	1,001
- *USD* [(2)]	-	-	*USD 175*	784	*USD 175*	784
- *SGD* [(2)]	-	-	*SGD 70*	217	*SGD 70*	217
Syndicated term loans						
- *USD* [(2)]	*USD 131*	590	*USD 100*	448	*USD 231*	1,038
Commodity Murabahah Term Financing	-	-	-	2,505	-	2,505
Islamic Medium Term Notes	-	-	-	3,806	-	3,806
		1,101		8,763		9,864
Weighted average interest rate of borrowings						4.66%
Proportion of borrowings between fixed and floating interest rates						60% : 40%

Notes:
(1) The term loan facility has been partially hedged using IRS.
(2) All foreign currency borrowings had been hedged using CCIRS. The closing rates used in translating the foreign currency amounts into RM were:
1 USD = RM4.49, 1 SGD = RM3.10

22. BORROWINGS (CONTINUED)

Material changes to borrowings for the financial year ended 31 December 2016 were:

(a) The Company repaid its existing borrowings of RM7,631 million and resulted in an annualised interest savings of RM365 million;

(b) MBSB entered into RM1.0 billion term loan and RM2.5 billion Commodity Murabahah Term Financing facilities. The amount had been fully drawn down to part settle the purchase consideration in relation to the internal reorganisation as explained in Note 5(a);

(c) MBSB established its RM10.0 billion Sukuk Murabahah Programme which carries a tenure of 30 years and issued three series of the Sukuk Murabahah for a total nominal value of RM3,790 million to:
   (i) part finance the purchase consideration in relation to internal reorganisation as explained in Note 5(a);
   (ii) finance its capital expenditure, working capital and/or other funding requirements; and
   (iii) part finance the upfront fees of its 900 MHz and 1800 MHz spectrum assignment ("SA").

(d) MBSB had drawn down a RM500 million revolving credit to part finance the SA upfront fees.

23. DERIVATIVE FINANCIAL INSTRUMENTS

(a) Disclosure of derivatives

Details of derivative financial instruments outstanding as at 31 December 2017 are set out below:

TYPE OF DERIVATIVE	CONTRACT/ NOTIONAL VALUE	FAIR VALUE
	RM'm	RM'm
Derivatives designated in hedging relationship (cash flow hedge):		
IRS:		
- more than three years	500	2
Forward foreign exchange contracts:		
- less than one year	33	*
	533	2
Derivatives not designated in hedging relationship:		
Forward foreign exchange contracts:		
- less than one year	33	(1)
	566	1

Note:
* Less than RM1 million.

For the financial year ended 31 December 2017, the Group:

(i) entered into CCIRS contracts to hedge against USD/RM and SGD/RM exchange rate fluctuations on USD50 million and SGD70 million term loans respectively. These CCIRS contracts were subsequently settled as disclosed in (iii) below;

(ii) entered into forward foreign exchange contracts to hedge against USD/RM exchange rate fluctuations on certain payable balances and forecast transactions; and

(iii) made an early settlement of all the CCIRS contracts and one of the IRS contracts on RM200 million term loan.

There have been no changes since the end of the previous financial year ended 31 December 2016 in respect of the following:

(i) the market risk and credit risk associated with the derivatives;

(ii) the cash requirements of the derivatives, except the contract values of CCIRS and IRS have decreased following the early settlement of CCIRS and IRS contracts as disclosed above;

(iii) the policies in place for mitigating or controlling the risks associated with the derivatives; and

(iv) the related accounting policies.

23. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(b) Disclosure of gains/losses arising from fair value changes of financial liabilities

The Group determines the fair values of the derivative financial instruments relating to the IRS and forward foreign exchange contracts using a valuation technique which utilizes data from recognized financial information sources. Assumptions are based on market conditions existing at each reporting date. The fair values of IRS are calculated as the present value of estimated future cash flow using an appropriate market-based yield curve. The fair values of forward foreign exchange contracts are determined using the forward exchange rates as at each reporting date.

During the quarter, the fair value of financial liabilities recognized by the Group has increased by RM 1 million arising from fair value changes of forward foreign exchange contracts due to USD/RM exchange rate strengthened against the contracted rate.

24. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	AS AT 31/12/2017	AS AT 31/12/2016
	RM'm	RM'm
Non-current assets		
Trade receivables	67	82
Less: Allowance for impairment	*	(1)
	67	81
Prepayments	735	790
	802	871
Current assets		
Trade receivables	986	1,034
Less: Allowance for impairment	(67)	(76)
	919	958
Other receivables, deposits and prepayments	663	624
	1,582	1,582
	2,384	2,453

Note:
* Less than RM1 million.

24. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

The Group's trade receivables include receivables on deferred payment terms amounting to RM275 million which allow eligible customers to purchase mobile devices with up to 24 monthly installment payments.

Other than the above, the Group's credit policy provides trade receivables with credit periods of up to 60 days.

The ageing analysis of the Group's gross trade receivables is as follows:

	AS AT 31/12/2017 RM'm	AS AT 31/12/2016 RM'm
Neither past due nor impaired	**842**	863
1 to 90 days past due not impaired	**15**	59
91 to 180 days past due not impaired	**3**	1
More than 180 days past due not impaired	**1**	1
Impaired (both collectively and individually)	**192**	192
	1,053	1,116

Some of the trade receivables that are past due were not impaired based on past historical collection trends.

25. MATERIAL LITIGATION

There is no material litigation as at 2 February 2018.

26. DIVIDENDS

(a) Interim dividend

The Board of Directors has declared a fourth interim single-tier tax-exempt dividend of 5.0 sen per ordinary share in respect of the financial year ended 31 December 2017, to be paid on 29 March 2018. The entitlement date for the dividend payment is 28 February 2018.

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 28 February 2018 in respect of transfers; and

(ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

(b) Final dividend

The Board of Directors do not recommend payment of any final dividend in respect of the financial year ended 31 December 2017.

The total dividends for the financial year ended 31 December 2017 is 20.0 sen per ordinary share (2016: 20.0 sen).

27. EARNINGS PER SHARE

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		QUARTER ENDED 31/12/2017	QUARTER ENDED 31/12/2016	**YEAR ENDED 31/12/2017**	YEAR ENDED 31/12/2016
(a) Basic earnings per share					
Profit attributable to the equity holders of the Company	(RM'm)	**559**	504	**2,192**	2,013
Weighted average number of issued ordinary shares	('m)	**7,809**	7,509	**7,661**	7,509
Basic earnings per share	(sen)	**7.2**	6.7	**28.6**	26.8
(b) Diluted earnings per share					
Profit attributable to the equity holders of the Company	(RM'm)	**559**	504	**2,192**	2,013
Weighted average number of issued ordinary shares	('m)	**7,809**	7,509	**7,661**	7,509
Adjusted for share options	('m)	**-**	1	**-**	1
Adjusted weighted average number of ordinary shares	('m)	**7,809**	7,510	**7,661**	7,510
Diluted earnings per share	(sen)	**7.2**	6.7	**28.6**	26.8

By order of the Board

Dipak Kaur
(LS 5204)
Company Secretary
8 February 2018
Kuala Lumpur