4.1.12 Our Group depends on interconnection agreements with our competitors' networks and gateways and on domestic telephone networks.

We are dependent on interconnection agreements with our competitors' mobile and fixed-line networks and associated infrastructure for the successful operation of our business. If for any reason these interconnection arrangements are disrupted, whether because of a failure by a counterparty to perform its contractual obligations or for any other reason, or if there are any adverse changes in the terms of such interconnection agreements or failure to reach or renew agreements on commercially acceptable terms, one or more of our services may be delayed, interrupted or stopped, the quality of our services may be lowered, our average monthly churn rate may increase or our interconnection rates may increase, all of which could materially and adversely affect our business, financial condition, results of operations and prospects.

4.1.13 We are subject to licensing requirements and operate in a regulated industry.

Our operation of mobile telecommunications networks and the provision of related services are subject to statutory licensing requirements and regulated to varying degrees by national, state, regional or local governmental and/or regulatory authorities in each of the countries in which we operate. See "Section 11.19 - Regulations and licenses" for a further discussion regarding the regulations applicable to our Group and licenses held by our Group. Our operating licenses specify the services we can offer. These licenses are subject to review, interpretation, modification or termination by the relevant authorities. New conditions and obligations may be imposed for new licenses and upon renewal of licenses. We cannot assure you that the relevant authorities will not take any action that could materially and adversely affect us. Certain of our operating licenses also contain obligations with respect to network rollout and population coverage. Failure to meet such obligations as stipulated in the relevant operating licenses may result in such licenses being revoked and/or financial penalties. There can be no assurance that we will be able to identify every breach when such a breach occurs due to the scale of our Group's operations. Our operating licenses are generally renewable upon expiry. However, we cannot assure you that they will be renewed or that any renewal on new terms will be commercially acceptable to us. If we fail to renew any of our licenses, we may lose the ability to continue to operate the affected business, and the realisable value of our relevant network infrastructure and related assets may be materially and adversely affected.

Changes in laws, regulations or government policy in the countries where we have licenses to operate, or which we have an interest in a business holding such a license, or changes in the licenses held by our competitors, could also adversely affect our business, results of operations and prospects, particularly if any such changes result in adjustments to tariff structures, or require our operating companies to open up their access networks and/or infrastructure to our competitors. For example, in Malaysia, the Celcom Group is required to share its network infrastructure including BTS and transmission sites with its competitors. Although revenues are received from competitors seeking access to cover costs, such regulations would enable competitors, in particular, new market entrants, to gain easier access to the market. In certain of the countries in which we operate, we may be required to provide domestic roaming services to new market entrants. Currently most of our domestic roaming pricing and terms are commercially negotiated but there is no assurance that such rates and terms will not be mandated in future.

4.1.14 Our Group may face substantially higher insurance premiums.

The TMI Group's operating costs associated with the acquisition of insurance and the payment of related premiums to insure our properties, assets and projects, BTS, earth stations and employees have increased from RM4.6 million in 2005 to RM17.5 million in 2007. Further, as some of the insurance policies such as those relating to comprehensive general liability, fidelity guarantees and money-in-transit, are maintained by the TM Group, following the Pre-Listing Restructuring, we will have to obtain insurance policies for our Group for areas previously covered by such TM Group's insurance policies and this may result in an increased insurance cost. Since the terrorist attacks on the United States on September 11, 2001, many insurance companies have substantially increased their premiums and also specifically exclude insurance claims related to terrorism or related activities. In addition, insurance for certain of our Group's operations may be more difficult to obtain due to insurance companies' uncertainty about their ability to assess risk levels in certain commercial activities. As a result of the foregoing, there can be no assurance that we will be able to obtain appropriate insurance on commercially reasonable terms, if at all. Failure to obtain insurance could reduce our Group's ability to obtain bank loans and other financing for future construction projects and other commercial activities and may subject us to potentially significant financial loss upon the occurrence of a large uninsurable event. The inability of our Group to obtain or renew insurance coverage at a reasonable cost, or at all, may cause our operating costs to increase and may have an adverse effect on the financial condition and results of operations of our Group.

4.1.15 We may not be able to adequately protect our intellectual property, which could harm the value of our Group's brands and products and adversely affect our businesses; we may also be subject to infringement actions in connection with our use of third party intellectual property.

We depend on our brands and believe that they are important to our business. We rely primarily on trademarks and similar intellectual property rights to protect our brands and branded products. The success of our business depends on our continued ability to use our existing trademarks in order to increase brand awareness and further develop our branded products. We have registered certain trademarks and have other trademark registrations pending. We seek to register all of our trademarks though in many cases we cannot be certain that these trademarks have not been registered by another party in the past. We may not be able to adequately protect our trademarks and our use of these trademarks may result in liability for trademark infringement, trademark dilution or unfair competition. As the telecommunications industry is highly competitive, we must also ensure that our know-how and commercially sensitive information is kept confidential. Any leak of this information may adversely affect our competitive position and results of operations. Further, in the course of our business, we are licensed from time to time to use intellectual property belonging to third parties including content and software providers. We and our business partners to whom we outsource certain of our services may from time to time unknowingly infringe the rights of such third parties or may fail to pay royalties to such third parties which may result in claims being made against us. Any significant resulting damages may adversely affect our business and results of operations.

4.1.16 Our business relies on sophisticated billing and credit control systems, and any problems with these systems could interrupt our operations.

Sophisticated billing and credit control systems are critical to our ability to increase revenue streams, avoid revenue losses, monitor costs and potential credit problems and bill our subscribers properly and in a timely manner. We expect new technologies and applications to create increasing demands on our billing and credit control systems. Further, we rely on third parties to provide these billing and credit control systems. If adequate billing and credit control systems and software programmes are unavailable or if upgrades are delayed or not introduced in a timely manner or if we are unable to integrate such systems and software programmes into our existing billing and credit systems, our Group may be unable to offer certain services to our subscribers. Any damage or interruptions in operation or failure of our servers, which are used for the billing and credit control systems, could result in an interruption in our operations, and this in turn could materially and adversely affect our financial condition, results of operations and prospects.

4.1.17 Our Group depends on key management for the growth and successful implementation of its strategy.

We believe that the growth our Group has achieved to date, as well as our position as one of the key mobile telecommunications services providers in the South and Southeast Asian region, are to a large extent attributable to a strong and experienced senior management team and a skilled workforce. Our Group believes that the continued growth of our business and the successful implementation of our strategy depend on senior management and key personnel. While we intend to enter into employment contracts with all members of our key management following the restructuring of our Group, there can be no assurance that members of the senior management team will remain in our Group for the foreseeable future. Competition for key personnel in the telecommunications industry is intense, and there is limited availability of individuals with the requisite knowledge of the telecommunications industry and relevant experience in the markets in which we operate. We may not be able to successfully recruit, train or retain the necessary qualified and skilled personnel in the future. Any failure to manage our personnel needs successfully could have a material adverse effect on our business, results of operations and prospects.

4.1.18 Our Group depends significantly on our network of dealers and distributors for sales of its products and services.

Our Group sells its prepaid and postpaid services principally through a network of dealers and distributors. As such, we are highly dependent on our dealers and distributors for our prepaid and postpaid product sales. Any dispute with such dealers may disrupt sales and have an adverse effect on our Group's revenues and profitability.

4.1.19 While we have significant investments in certain of our associates and jointly-controlled entities, we do not have control of all of such companies, which may limit our ability to cause these companies to take actions which we believe would be beneficial to our shareholders.

Our ownership interests in certain of our associates and jointly-controlled entities, particularly Spice and M1 where we have less than a majority interest, do not provide us with the ability to control the actions of these companies. On a Post Acquisition Proforma basis, the total profits after taxation and minority interests contributed by Spice and M1 accounted for 15.7% of our consolidated PATAMI in fiscal 2007. In addition, our representatives on the boards of directors of these associates and jointly-controlled entities do not constitute a majority of those boards. As a result, we may not have the ability to prevent them from engaging in activities or pursuing strategic objectives that may conflict with our interests or overall strategic objectives and our ability to cause such associates to take actions which we believe would be beneficial to our shareholders may be limited.

4.1.20 The transitional services the TM Group Post Restructuring has agreed to provide to us may not be sufficient to meet our needs and our ability to operate our business effectively may suffer if we do not quickly and cost-effectively establish our own support systems in order to operate as a stand-alone company

As a wholly-owned subsidiary of TM prior to the Pre-Listing Restructuring, we have relied on the financial resources and the administrative and operational support systems of the TM Group to operate our business. Some of these systems include sales and marketing, IT resources and infrastructure, human resource related services and insurance coverage and R&D activities. Many of these systems are complex and either highly customised or proprietary. In conjunction with the Pre-Listing Restructuring, we are in the process of separating our assets from those of the TM Group Post Restructuring and creating our own financial, administrative, operational and other support systems or contract with third parties to replace the systems of the TM Group Post Restructuring. Many of the new systems will be in effect only from the completion date of the Pre-Listing Restructuring and it may take additional time to fully implement and stabilise these systems. In order to successfully implement our own systems and operate as a stand-alone business, we must be able to attract and retain a number of highly skilled employees.

We have entered into several agreements that are ancillary to the Framework Agreement (the details of which are set out in "Section 5.1 - Pre-Listing Restructuring") which govern the arrangements under which the TM Group Post Restructuring will provide certain support services for a specified period of time after the completion of the Pre-Listing Restructuring. These services may not compare favourably with those we received as a wholly-owned subsidiary of TM, and we may not be able to obtain the same benefits when the Pre-Listing Restructuring is completed. These arrangements generally have a term of less than 3 years after the Pre-Listing Restructuring, after which the TM Group Post Restructuring may cease to provide these services to us. These services may not be sufficient to meet our needs and, after our agreements with the TM Group Post Restructuring expire, we may not be able to replace these services or facilities at favourable costs and on favourable terms, if at all. Any failure or significant downtime in our own financial or administrative systems or in the financial or administrative systems of the TM Group Post Restructuring during the validity period of the agreements, and any difficulty in separating our operations and businesses from the operations and businesses of the TM Group Post Restructuring, could result in unexpected costs, impact our results and/or prevent us from paying our suppliers and employees and performing other administrative services on a timely basis and could materially harm our business, financial condition, results of operations and cash flows.

4.1.21 We may experience difficulties in integrating the operations and businesses of our operating companies.

One of our strategies is to take advantage of financial, strategic and operational synergies arising from the combination of the mobile businesses of the Celcom Group, XL, Dialog, TMIB, TMIC and our other operations and investments. In order to successfully exploit and leverage such synergies, we will be required to streamline and integrate some of the operations and systems of our various operating companies, which have historically operated as individual entities. The process of effectively integrating these operations and systems presents significant management, operational and technical challenges. The management of the integration of the various management, operating and IT systems with those of our Group, to the extent considered necessary, will require the continued development of management, operational and technical controls, in particular, IT and training of personnel, all of which could lead to the loss of key members of the various management teams or require significant expenditures. Further, if these synergies do not materialise as we have expected, the growth strategy, financial condition and results of operations of our Group could be adversely affected.

As part of the Pre-Listing Restructuring, the Celcom Group will become one of our key subsidiaries. We intend to continue to operate and manage most of the Celcom Group's businesses independently but certain aspects of the Celcom Group's management and IT systems are intended to be integrated with those of our Group after the Pre-Listing Restructuring. We may have difficulty fully integrating our systems with the Celcom Group's or assimilating the Celcom Group's operations and personnel or may fail to incorporate licensed or acquired technology into the Celcom Group's network and products in a successful manner.

4.1.22 The proforma consolidated financial information included herein may not reflect actual results.

We have included the Post Restructuring Proforma and Post Acquisition Proforma consolidated financial information in Sections 8.1 and 17 of this document because we believe that such information is important to your understanding of the future of our results of operations after completion of the Pre-Listing Restructuring and Acquisition. However, the Post Restructuring Proforma and Post Acquisition Proforma financial information included in this document is based on certain assumptions. See "Section 8.1 - Proforma consolidated financial information". Such information is not necessarily indicative of the financial condition or results of operations that would have been achieved had the Pre-Listing Restructuring and Acquisition been completed in a prior period, nor is it necessarily indicative of our future financial condition or results of operations.

There can be no assurance that the Post Restructuring Proforma and Post Acquisition Proforma consolidated financial information presented herein is indicative of the results of operations that would have been attained had the Pre-Listing Restructuring and Acquisition actually occurred earlier or if our Group had operated as a separate group of companies during the periods presented. In addition, there can be no assurance that the Post Restructuring Proforma and Post Acquisition Proforma consolidated financial information included will be indicative of our consolidated financial statements for the financial year ending December 31, 2008, which will be our first financial statements which will reflect our results of operations and financial condition after completion of the Pre-Listing Restructuring and Acquisition.

4.1.23 Our substantial leverage could adversely affect our general financial condition and ability to declare dividends.

We have a substantial amount of indebtedness. As of December 31, 2007, on a Post Acquisition proforma basis, our Group had total interest-bearing indebtedness of RM10,218.8 million. In order to fund future operations and expansion, we expect to continue to incur additional indebtedness. Our indebtedness could restrict our operations. Amongst other things, our indebtedness may limit our ability to obtain additional financing for working capital, capital expenditure, strategic acquisitions and general corporate purposes, and require us to dedicate a substantial portion of our cash flow to service our debt, which will reduce funds available for other business purposes, limit our flexibility in planning for or reacting to changes in the markets in which we compete, place us at a competitive disadvantage relative to our competitors with less indebtedness, render us more vulnerable to general adverse economic and industry conditions, make it more difficult for us to satisfy our financial obligations or be able to refinance maturing indebtedness and affect our ability to declare dividends. We may also be exposed to fluctuations in interest rates and exchange rates as a result of our borrowings. See also "Section 9.9.1 – Foreign currency exchange rate risk".

Our ability to meet our payment obligations will depend on the success of our business strategy and our ability to generate sufficient revenues to meet our obligations, which are subject to uncertainties and contingencies beyond our control.

4.1.24 *We may be required to record significant impairment charges to our earnings in the future when we review our goodwill or other intangible assets for potential impairment.*

We have in the past expanded our mobile telecommunications business through various mergers and acquisitions and intend to continue to do so in the future. We account for such acquisitions using the purchase accounting method, which requires us to record goodwill and other intangible assets in our consolidated financial statements from time to time. Upon the completion of the Acquisition, we are expected to recognise additional goodwill upon the consolidation pursuant to the purchase accounting method. Under Malaysian GAAP, we are required to review our goodwill and intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. In addition, goodwill and other intangible assets with indefinite lives are required to be tested for impairment at least annually. We may be required in the future to record a significant charge to earnings in our consolidated financial statements during the period in which any impairment of our goodwill or other intangible assets is determined. There is no assurance that the additional goodwill expected to be recognised by our Group arising from the Acquisition will not be subject to impairment in the future. Any impairment of goodwill will result in a charge to the consolidated earnings of TMI, which may have a material adverse effect on our Group's financial results.

4.1.25 *Certain of our subsidiaries are defendants to legal proceedings.*

Certain of our subsidiaries are parties to legal proceedings, many of which involve our subsidiaries defending claims by other parties. For instance, Celcom is the defendant in ongoing legal proceedings concerning an alleged breach of an agreement, and XL, together with 7 other Indonesian telecommunications companies, are the subjects of an ongoing investigation by Indonesian competition authorities involving allegations of price fixing. See "Section 11.17 - Legal proceedings and disputes". There can be no assurance that the relevant subsidiaries will be able to successfully defend such proceedings or that judgments will not be entered against the relevant subsidiaries. In the absence of provisions for such claims, any judgment entered against the relevant subsidiaries or any requirement for the subsidiaries to pay damages and/or costs could have a material adverse effect on our Group's business, financial condition, results of operations and prospects. Furthermore, there can be no assurance that further material litigation will not be brought against our Group in the future, in respect of which any failure to successfully defend such claims could also have a material adverse effect on our business, financial condition, results of operations and prospects.

4.1.26 *The Government will be a substantial shareholder in our Company and there is no assurance that it will continue to maintain its shareholdings in us.*

Assuming the Pre-Listing Restructuring and Acquisition have occurred, based on the Register of Substantial Shareholders of TM as of Latest Practicable Date, Khazanah (which, save for 1 share owned by Pesuruhjaya Tanah Persekutuan (the Federal Land Commissioner), is wholly-owned owned by MoF Inc) will directly own 37.8% of our Shares after the Pre-Listing Restructuring and Acquisition. Khazanah also has 2 nominees on our Board of Directors. See "Section 14 - Substantial Shareholders".

There is no assurance that Khazanah will remain our substantial shareholder or that there will not be an entry of another substantial shareholder with the ability to exert significant influence on the direction or operations of our Group, nor that our Group's business, financial condition and results of operations would not be adversely affected by such a change in influence.

Any substantial shareholder in our Company, including Khazanah, immediately after the Listing, may be able to have significant influence on the outcome over many matters requiring approval by our shareholders, including the election of our Directors and the approval of significant corporate transactions. There is no assurance that the interests of such substantial shareholders will be aligned with that of our shareholders and as they will own a significant portion of our Shares, they could delay or prevent a change of control of our Company or other transactions, even if such transactions would be beneficial to our other shareholders.

4.1.27 Concerns about alleged mobile telecommunications health risk.

Certain reports have suggested that radio emission from mobile handsets and other mobile equipment (including BTS and towers) might have an adverse effect on the health of mobile telephone users and others. Such concerns have adversely affected share prices of certain mobile telecommunications companies in the United States in the past. Although the findings in such reports are disputed, the issuances of such reports in the future could adversely affect the market price of the shares of mobile telecommunications service providers including our Group, and the actual or perceived risk of wireless telecommunications devices could adversely affect mobile operators such as our Group through reduced subscriber growth, reduction in subscribers, reduced usage per subscriber or increased costs arising from the location or relocation of BTS.

4.2 RISKS RELATING TO OUR KEY OPERATING SUBSIDIARIES

4.2.1 Celcom Group

(i) High penetration rates for mobile phone subscribers in Malaysia may limit the Celcom Group's ability to grow its business and increase its subscriber base.

The mobile telecommunications market in Malaysia has experienced rapid growth in recent years. According to Frost & Sullivan, the mobile penetration rate in Malaysia as of December 31, 2007 was 85.9%, compared to 74.7% as of December 31, 2005. As the Malaysian mobile telecommunications market is a more developed market, mobile penetration rates are unlikely to continue to grow at rates previously experienced. The Celcom Group may not be able to increase its subscriber base as a result of competition and high penetration rates in the Malaysian mobile market. The inability of the mobile telecommunications market in Malaysia to continue to grow in accordance with past trends or at all or the Celcom Group's inability to maintain or increase its share of the mobile telecommunications market in Malaysia could materially and adversely affect its results of operations, profitability and prospects.

(ii) The Celcom Group is exposed to risks relating to the legalisation and relocation of its existing BTS and transmission sites.

In order to support its mobile networks, the Celcom Group has established various network infrastructure, including physical structures for both transmission towers and rooftop sites ("Outdoor Structures") on which transmission equipment (2G BTS, 3G transceiver stations and microwave links) are located. These Outdoor Structures require the approval of the local authorities. Given the rapid deployment of the Outdoor Structures required to support its network growth in the past, the Celcom Group has a significant number of Outdoor Structures which have been installed while pending submission to or approval from the local authorities. We believe that this has been in line with the common practice among mobile operators in Malaysia. The lack of approvals has in certain cases resulted in the local authorities issuing notices to dismantle the Outdoor Structures which were then relocated. The Celcom Group is also required to obtain the approval of the MCMC prior to the commissioning of its mobile and transmission equipment. Given the long lead time generally required for such approvals, many of such sites have commenced operations prior to the relevant approvals being obtained. There is no assurance that the MCMC and/or local authorities would not take any action to shut down such sites and impose penalties on the Celcom Group for such non-compliance.

Further, as many state and local government laws and regulations relating to the establishment of such sites were generally unclear and subject to interpretation in the past, the increasing establishment and adoption of new policies and guidelines by state and/or local governments to regulate the establishment of the Outdoor Structures may result in the Celcom Group being required to pay fines or to dismantle or relocate certain sites which do not comply with the new policies and guidelines. The enforcement of such policies and guidelines may also require the Celcom Group to regularise all its existing Outdoor Structures. The Celcom Group has also experienced local opposition to the building of certain Outdoor Structures because of concerns about alleged health risks. As a result of such opposition, the Celcom Group has in some instances been required, and may in the future be required by the local authorities to remove and relocate certain Outdoor Structures.

Apart from the significant costs involved in dismantling existing Outdoor Structures and establishing new Outdoor Structures, new regulations such as tower site sharing arrangements may also result in increased site operating costs for the Celcom Group or provide low entry costs for competing operators to establish their presence in certain areas. Such regulations require the establishment of new Outdoor Structures to be carried out only by certain companies approved by the relevant state authorities and from whom mobile operators lease the BTS and transmission sites.

Any action by the local authorities requiring the dismantling of Outdoor Structures may cause interruptions to the Celcom Group's operations and increased costs, which could have an adverse effect on the Celcom Group's business and operations. In addition, the Celcom Group may be required to relocate existing MSC and/or data centres upon the expiration of tenancies for such sites, if it is unable to obtain renewals of such tenancies or if such renewals are at unfavourable rates. Such relocation could also involve significant costs.

(iii) The Celcom Group is exposed to risks relating to the approvals of the MCMC of apparatus assignment for 2G BTS and microwave links.

Apparatus assignments are required from the MCMC for 2G BTS and microwave links. As of Latest Practicable Date, the approval of the MCMC for 190 of the Celcom Group's 2G BTS out of a total of 5,969 2G BTS are pending. As of Latest Practicable Date, the approval of the MCMC for 1,652 of the Celcom Group's microwave links out of a total of 7,924 microwave links is pending. If such approval from the MCMC is not obtained, this may affect the Celcom Group's ability to provide services and coverage to its customers and may adversely affect the Celcom Group's results of operations and financial condition.

(iv) Malaysian mobile operators will in 2008 be required to provide their customers with number portability.

Mobile operators in Malaysia have yet to provide their subscribers with number portability, which allows subscribers of mobile services to retain their existing numbers when changing from one mobile operator to the other. However, Malaysian authorities have indicated that Malaysian mobile operators will be required to provide number portability in August 2008. The introduction of number portability is expected to intensify competition among mobile operators in Malaysia and may lead to price competition as mobile operators attempt to attract subscribers from their competitors, which will affect profitability. Number portability will also reduce the hurdle for mobile subscribers to switch to another operator and may lead to increased churn rates, loss of subscribers, increased subscribers acquisition costs as well as increased operating and marketing costs. The Celcom Group may be required to make additional capital investments and incur costs in order to address initial network or operational issues. Further, in order to implement number portability, IT and billing systems of the mobile operators as well as their respective networks and infrastructure will be required to be integrated and partially co-dependent for such purpose with each other as well as with the clearing systems operated by third parties appointed by the MCMC. There is no assurance that such integration will be smoothly carried out or that there will not be interruptions to, or additional costs incurred by, the Celcom Group's business, networks and systems as a result of the failure of integration or the failure of another operator's systems. The introduction of number portability in Malaysia could have a material adverse effect on the Celcom Group's results of operations and financial condition.

(v) The Celcom Group is subject to universal service provision ("USP") obligations.

In Malaysia, all licensed network facilities providers, network service providers and applications service providers are subject to USP obligations under relevant USP regulations. Generally, the objective of USP is the provision of access to basic telephony and internet access services in areas designated as USP areas by the authorities, which are typically rural areas. Under the USP regulations, operators are required to contribute to a USP fund at a rate of 6% of their annual weighted net revenue unless their total net revenue for the previous calendar year derived from designated services was less than RM2 million. Despite the prescribed formula, the calculation of USP fees has been subject to dispute in the past between operators and the MCMC. Any future decision by the MCMC on the net revenue calculation methodologies may result in the Celcom Group having to pay retrospective fees.

(vi) The ownership rights of the Celcom Group in respect of the ducts and cables that it lays and installs on public roads and highways are uncertain.

In the course of building its network, the Celcom Group has laid ducts, fiber and other equipment throughout Malaysia pursuant to approvals obtained from local authorities. However, legal uncertainty arises because the issue of ownership of the ducts and trunk fiber laid on or under the land is not specifically addressed in the Telecommunications Act, 1950 (now repealed) nor in the current CMA. There can be no assurance that the question of the ownership of such ducts, fiber and other equipment, if submitted to the courts, would not be decided against Celcom Group. Any adverse judgment against the Celcom Group may result in a disruption to its operations, loss of investment, increased cost due to charges to be paid to the owner for the use of such ducts and fiber and adversely affect its results of operations. This is an industry risk faced by Malaysian mobile operators, including the Celcom Group.

(vii) The Celcom Group depends significantly on its network of dealers and distributors for sales of its products and services.

As the Celcom Group's distributors are third parties, the Celcom Group has no control over their operations but may be held accountable for their actions as they may be deemed to be agents or representatives of the Celcom Group in their sales activities. Currently, liability for agent actions is limited to prepaid registration where, under the Guidelines on Registration of End-Users of Prepaid Public Cellular Services (No. 1 and No. 2) and the Guidelines on Prepaid Registration (collectively, "Prepaid Guidelines") issued by the MCMC which all public mobile operators and their representatives must comply with, a service provider shall not provide any prepaid public mobile service to any end-user that fails to register with the service provider. Also the service provider and its representatives are required to ensure that certain verification procedures are complied with. Failure to comply with these Prepaid Guidelines is a breach of the service provider's applications service provider class license condition and may also lead to a maximum fine of RM100,000 or to 2 years imprisonment or both. There is no guarantee that liabilities for agent actions will not be extended to other areas since the MEWC has the power to impose additional conditions.

(viii) The Celcom Group has entered into a number of memoranda of understanding, strategic alliances and partnerships with various corporate and telecommunications leaders, and the termination of any such alliances or partnerships may result in negative publicity.

The Celcom Group has a number of memoranda of understanding, strategic alliances, equity partnerships and collaborations with various global, regional and local corporate and telecommunications leaders, including Vodafone Marketing Sarl ("Vodafone"), Asia Mobility Initiative ("AMI"), Google Ireland Ltd ("Google"), Tune Money Sdn Bhd ("Tune Money"), Tune Talk Sdn Bhd ("Tune Talk"), Samart I-Mobile (Malaysia) Sdn Bhd ("Samart I-Mobile (Malaysia)"), MiTV Corporation Sdn Bhd (now known as U Telecom Media Holdings Sdn Bhd ("U Mobile")), Redtone International Berhad ("Redtone") and Merchantrade Sdn Bhd ("Merchantrade"). See "Section 11 - Business – Our key mobile telecommunications operations – Celcom Group – Strategic alliances". The continuation of such arrangements is subject to review based on strategic benefits attained by the relevant parties from time to time and there is no assurance that such alliances, partnerships or collaborations will not be terminated by any party, or that such termination will be mutually agreed. The termination of any of the Celcom Group's well publicised strategic alliances, partnerships or collaborations could result in negative publicity and damage to Celcom Group's branding and reputation, which may adversely affect the Celcom Group's results of operations, business and prospects. Any such termination may also have an adverse financial impact. In addition, any negative publicity or adverse brand image suffered by such strategic partners may adversely affect the Celcom Group's brand image and reputation.

4.2.2 XL

(i) XL faces competition from well-established Indonesian telecommunications industry incumbents and may face competition from new market entrants that may adversely affect its business, results of operations, financial condition and prospects.

The Indonesian telecommunications market is highly competitive with 8 mobile operators and 3 fixed wireless operators according to Frost & Sullivan. Competition in the mobile telecommunications industry is based mainly on factors such as network coverage, quality, price and customer service. XL's most prominent competitors are PT Telekomunikasi Selular ("Telkomsel") and Indosat. Increasing competition may arise from other new mobile telecommunications operators in Indonesia. In addition to the current service providers, the Ministry of Communications and Information of Indonesia may license additional telecommunications service providers in the future, which may compete with XL. Along with its competitors, XL may also be subject to competition from providers of new telecommunication services as a result of technological developments and the convergence of various telecommunication services. New and existing mobile telecommunications service providers may significantly increase subscriber acquisition costs by offering more attractive product and service packages, resulting in higher average monthly churn, lower ARPU or a reduction, or slower growth, in XL's subscriber base.

In addition, the Ministry of Communications and Information of Indonesia has allocated almost all available GSM 900 and GSM 1800 mobile spectrum. Additional spectrum may become available in the future or the government of Indonesia may re-allocate existing spectrum, resulting in more competition. The Indonesian government has granted 3G licenses to 5 operators, i.e. XL, Telkomsel, Indosat, PT Hutchison CP Telekomunikasi ("Hutchison Telecom Indonesia") and PT Natrindo Telepon Seluler. In recent years, Indonesia has seen the entry of a number of large foreign operations such as Maxis, Saudi Telecom Company and Hutchison Telecom Indonesia, who have invested in other mobile telecommunications service providers in Indonesia, which may result in increased level of competition in the market.

(ii) Mobile network congestion and limited spectrum availability could limit XL's mobile subscriber growth and cause a reduction in its mobile service quality.

The rapid growth of Indonesia's mobile subscriber base, together with increasing demand, has led to high mobile usage, particularly in dense urban areas of Indonesia. The available spectrum for use by a mobile network effectively limits its capacity. As a result, radio frequency engineering techniques, including a combination of macro, micro and in-building mobile designs, are needed to increase the average traffic density on XL's mobile network and to maintain mobile network quality. Such radio frequency techniques have been deployed in dense urban environments such as Hong Kong, and XL intends to use them when the per square kilometre threshold approaches such a usage profile. However, if XL's mobile subscriber base should grow significantly larger in high-density areas, no assurance can be given that these efforts will be sufficient to maintain and improve service quality, and XL may be required to make significant capital expenditures to maintain and improve mobile service quality based on its current spectrum allocation.

XL's growth plans anticipate substantial expansion of its mobile network and a corresponding increase in XL's total number of mobile subscribers. No assurances can be given that such expansion plans will materialise or, if they do materialise, that XL will be able to integrate additional mobile subscribers successfully. Failure to activate new mobile subscribers on a timely basis and to scale existing operational units to handle increased mobile traffic may adversely affect XL's reputation, increase average monthly churn and adversely affect its business, financial condition, results of operations and prospects.

(iii) XL faces competition from recently introduced technologies in Indonesia that may adversely affect its business, results of operations, financial condition and prospects.

The introduction and availability of new services offering mobility such as CDMA based cellular services as well as fixed wireless access have increased competition based on prices, product and service packages among mobile service providers.

These operators who are paying lower regulatory/frequency fees than GSM mobile operators are offering their services at lower tariffs and their service quality may also exceed GSM-based mobile services due to more efficient spectrum usage.

Fixed wireless services, particularly those offered without significant regulatory restrictions regarding mobility, are able to be more competitive (through savings from lower frequency fees which can be passed on to consumers in the form of cheaper tariffs). Currently, XL does not offer CDMA-based cellular services or fixed wireless services. This may have a material adverse effect on XL's business, resulting in, among other things, higher average monthly churn, lower ARPU, slower growth in total subscribers and increased subscriber acquisition cost.

(iv) Non-compliance with Indonesian foreign ownership restrictions could result in unknown penalties, administrative sanctions, revocation of licenses or require foreign shareholders of XL to divest their holdings.

Indonesia enacted Presidential Regulation No. 77 of 2007 in July 2007, which restricts foreign ownership in Indonesian telecommunications companies depending on the line of business of the relevant company. There are a number of different restriction thresholds applicable to XL's various services, with the most stringent restriction being 49.0% maximum allowable foreign ownership applicable to companies providing VoIP services. Although the foreign ownership restriction is 65.0% for mobile operators, the regulations are unclear on the restrictions applicable to companies such as XL that are licensed to provide multiple telecommunications services. XL has been advised by its legal counsel that it is likely that the regulators will impose the more stringent restriction of 49%. Although publicly-listed companies, such as XL, have in practice not been prosecuted under similar foreign ownership restrictions, no exemption is officially recognised in any legislation or ruling.

Although no Indonesian regulatory authority has indicated that XL is in breach of the regulations, there is a continued risk to XL as a result of the unclear interpretation and implementation of the regulations especially because these regulations have only been recently enacted in July 2007. If XL is found to be in breach of such regulations, it may be subject to administrative sanctions in the form of warning letters, limitation or suspension of its business activities, or revocation of its licenses pursuant to which XL may be required to cease its business activities. In addition, the authorities may also require existing foreign shareholders of XL to divest their holdings. This may result in a breach of the loan facilities governing XL's significant indebtedness. See "Section 4.2.2 (vii) - XL's significant indebtedness could adversely affect its financial health, and the restrictions imposed by the terms of its debt instruments may limit XL's ability to plan for or respond to changes in XL's business". As of Latest Practicable Date, XL is 99.8% held by foreign investors, with our Group holding 67.0%. After the Acquisition, our Group will hold 83.8% of XL's issued shares. Any sell down required of us will adversely affect our financial condition, business and prospects, as we could cease to be the controlling shareholder of XL. Furthermore, there may be a limited market for such shares and there is no assurance that we will be able to sell our shares in XL at commercially acceptable prices.

(v) XL depends on certain licenses to provide its services which could be cancelled if it fails to comply with certain terms and conditions.

XL relies on licenses issued by the Ministry of Communications and Information of Indonesia for the provision of its mobile telecommunications services as well as for the utilisation of its allocated spectrum frequencies. Certain of XL's licenses contain obligations with respect to network rollout and population coverage as well as the submission of reports to the Ministry of Communications and Information of Indonesia. The Ministry of Communications and Information of Indonesia, with due regard to prevailing laws and regulations, may amend the terms of XL's licenses at its discretion. Any breach of the terms and conditions of XL's licenses or failure to comply with applicable regulations could result in fines being imposed on it or its licenses being cancelled by the government of Indonesia. Any revocation or unfavourable amendment of the terms of the licenses, or any failure to renew them on comparable terms, could have a material adverse effect on XL's business, financial condition, results of operations and prospects.

(vi) A change in the tariff guidelines by the government of Indonesia may have an adverse effect on XL's business, financial condition, results of operations and prospects.

The Ministry of Communications and Information of Indonesia is the principal policy maker and regulator of the telecommunications industry in Indonesia and is responsible for the setting and adjustment of tariff guidelines. Operators set their own tariffs for their telecommunications and value-added services, subject to such tariff guidelines. These tariffs include, amongst others, activation fees, monthly fees and usage fees. In 2006, the government of Indonesia issued Ministry Regulation No. 12/PER/M.KOMINFO/02/2006 regarding Procedure of Tariff Revision on Telephony Services Provided by Mobile Network Operator ("Ministry Regulation 2006") which stipulated that revision of current tariffs shall be reported to Indonesian telecommunications regulatory bodies ("ITRB"). Under the Ministry Regulation 2006, the government of Indonesia stipulated that the lowest floor price tariff formula must be equal to call originating costs plus call terminating costs.

Currently, the government of Indonesia is considering new tariff regulations imposing a maximum tariff formula, and is conducting public consultation regarding the new tariff regulations. Since a significant portion of XL's revenues is dependent upon tariff guidelines formulated by the government of Indonesia, any change in the government of Indonesia's tariff guidelines could adversely affect XL's business, financial condition, results of operations and prospects.

(vii) XL's significant indebtedness could adversely affect its financial health, and the restrictions imposed by the terms of its debt instruments may limit XL's ability to plan for or respond to changes in XL's business.

XL has and will continue to have substantial indebtedness and will continue to incur additional indebtedness. As of December 31, 2007, XL had borrowings of IDR9,663.9 billion. Under the loan facilities, XL has to ensure that TMI or any successor entity of TMI must indirectly or directly maintain an aggregate shareholding of not less than 51.0% in XL. Its substantial indebtedness will have important consequences for our Group. As a result of this substantial indebtedness, XL will require substantial cash flow to meet its obligations under its current and future indebtedness. Therefore, a substantial part of its cash flow from operations will not be available for its business.

We cannot assure you that XL's substantial indebtedness and these restrictions will not materially and adversely affect XL's ability to finance its future operations or capital needs or to engage in other business activities, or otherwise adversely affect its business, financial condition, results of operations and prospects and consequently any dividends or distributions to our Company.

(viii) ***The government of Indonesia may have objectives that are not necessarily consistent with the maximisation of profits by industry participants and may implement policies that may be disadvantageous to XL.***

The government of Indonesia, through its Ministry of Communications and Information, exercises regulatory power over the Indonesian telecommunications industry and may have objectives that are not necessarily consistent with the maximisation of profits by industry participants. Certain government of Indonesia's policies or objectives may have a material adverse impact on XL's business, financial condition and results of operations. We cannot assure you that the policies and plans of the government of Indonesia will not prejudice XL's business. Similarly, we cannot assure you that the government of Indonesia will not implement future decisions or exercise regulatory power over the Indonesian telecommunications industry that may be disadvantageous to XL.

(ix) ***A significant increase in frequency fees could adversely affect XL's business, financial condition and result of operations.***

XL is currently required to pay a frequency fee based principally on the number of its BTS. However, in October 2005, the Minister of Communications and Information of Indonesia issued the Decree No. 17/PER/M.KOMINFO/10/2005 which requires XL to pay the frequency fee for the radio frequency spectrum utilised in its operations based on bandwidth frequency spectrum. The new formula to calculate the frequency fee based on bandwidth will be determined in a separate ministerial decree which has not yet been enacted and is expected to be a lump-sum amount payable annually in advance irrespective of the number of BTS owned by XL. We cannot assure you that the amount of the new frequency fee will be less than or equal to the frequency fee currently paid. If the new frequency fee is significantly higher than the current fee amount, it would increase XL's operating costs and could have a material adverse effect on its business, financial condition and results of operation.

(x) ***XL is exposed to risks relating to the legalisation and relocation of its existing BTS and transmission sites.***

XL's development of its network infrastructure, which includes BTS, network transmission towers and rooftop microwaves, requires site acquisition, tower and equipment installation supported by approvals and licenses from local authorities.

Given the long lead time generally required for such approvals and licenses, we believe that it is a common practice in Indonesia that approvals and licenses from local authorities are received after the site is ready. If approvals and licenses are not obtained, the local authorities may issue notices for the network infrastructure sites to be dismantled. These sites may then have to be relocated. There is no assurance that local authorities will not shut down such sites and impose penalties for such non-compliance.

XL has also experienced local opposition to the building of certain sites because of concerns about alleged health risks. As a result of such opposition, XL, in some instances, has been required, and may in the future be required, by the local authorities to remove and relocate certain network sites.

(xi) If the investigation by the Indonesian Anti-Monopoly Committee leads to XL being found liable for price fixing, this may lead to a decrease in XL's revenue and affect its profitability.

On November 1, 2007, the Commissioner for the Supervision of Business Competition ("KPPU") issued a decision regarding a preliminary investigation of XL and 7 other telecommunication companies upon allegations of price-fixing of SMS and therefore breaching Article 5 of the Antimonopoly Law (Law No.5/1999).

Following the preliminary investigation conducted by the KPPU, the KPPU sent a summons letter to the President Director of XL as well as the 7 other telecommunication companies for a hearing session. On December 14, 2007, the KPPU decided to proceed with the second stage of investigation against all operators and if the KPPU believes that it requires further information from XL, XL may be summoned to appear before the KPPU or requested to provide such information. Under Indonesian law, the KPPU is required to complete the second stage of the investigation within 60 business days, to be followed by a 30-business day decision-making period. We expect a decision to be rendered in May 2008.

If XL and the other operators are found liable for price-fixing, they may be ordered to terminate or abandon the perceived minimum price arrangement and to pay fines of up to IDR25.0 billion. Such a decision may also force Indonesian mobile operators to lower tariffs for SMS and may lead to a decrease in XL's revenue generated from SMS and affect its profitability.

4.2.3 Dialog

(i) Dialog's operational activities have been and may continue to be affected by political instability and armed conflict.

The government of Sri Lanka ("GoSL") was engaged in a protracted civil war since 1983, primarily in the Northern and Eastern provinces of the country, with the Liberation Tigers of Tamil Eelam ("LTTE"). On February 22, 2002, the GoSL and the LTTE signed a Norwegian facilitated cease-fire agreement, leading to a cessation of hostilities. In April 2003, the LTTE suspended their participation in peace talks. The peace talks were resumed in 2006 following the election of a new president. However, the negotiations only lasted for a few months. In the third quarter of 2007, the GoSL succeeded in liberating the Eastern province from the LTTE and was working to reach a consensus with all political parties for a negotiated settlement. However, the ceasefire formally ended on January 16, 2008.

Dialog intermittently suspended its services in certain parts of the Northern and Eastern provinces of Sri Lanka during the first half of fiscal 2007 as a result of hostilities between the GoSL and the LTTE. As a result of the conflict, Dialog's plans for the expansion of its services in the Northern and Eastern provinces of Sri Lanka could be cancelled or suspended, resulting in a loss of revenue and investments in those regions. Although Dialog's revenue, subscribers and capital investments are presently largely concentrated outside the Northern and Eastern provinces, the conflict would also be expected to reduce aggregate economic activity in other parts of the country and may adversely affect Dialog's business and financial condition.

The net impact of the conflict is expected to be one of loss of assets in the Northern and Eastern provinces of Sri Lanka, and slower earnings growth rates. The resulting reduction in GDP and per capita income growth levels may reduce Dialog's profitability and prospects.

(ii) Dialog faces competition from other operators and may face competition from new market entrants that may adversely affect its business, results of operations, financial condition and prospects.

Dialog faces competition from Mobitel (Pvt) Ltd., Celltel Lanka (Pvt) Ltd ("Celltel Lanka/Tigo") and Hutchison Telecommunications Lanka (Pvt) Limited ("Hutch Sri Lanka") as well as a new entrant, Bharti Airtel, in terms of coverage, service portfolios and price. Increasing competition may also arise from other new mobile telecommunications operators in Sri Lanka. In addition to the current service providers, the Minister in charge of telecommunications in Sri Lanka may license additional telecommunications service providers in the future, who may compete with Dialog. The price pressure, cost of acquisition and reducing margins may adversely affect Dialog's business, results of operations, financial condition and prospects.

4.2.4 TMIB

(i) TMIB operates in a highly competitive environment.

TMIB operates in a highly competitive environment with 5 other mobile competitors – Grameenphone Ltd ("Grameenphone"), Banglalink, Pacific Bangladesh Telecom Limited ("Citycell"), Teletalk Bangladesh Limited ("Teletalk", the mobile arm of an incumbent operator) and Warid Telecom International Ltd ("Warid Telecom"). In addition, new entrants in the form of regional PSTN operators have emerged. This has increased the pressure on mobile tariffs. TMIB's market share has also declined to 20.4% as of December 31, 2007 from 31.6% as of December 31, 2005, according to Frost & Sullivan.

(ii) TMIB operates in a highly regulated telecommunications market with increasingly stringent oversight by the regulator. Changes in laws, regulations or governmental policy affecting its business activities could adversely affect its financial condition, results of operations and prospects.

The telecommunications business in Bangladesh is subject to governmental regulation regarding licensing, competition, frequency allocation and costs and arrangements pertaining to interconnection and leased lines. Those regulations may adversely affect TMIB's opportunities in Bangladesh. The government of Bangladesh has not yet enacted policies on 3G and WiMax. Changes in laws, regulations or governmental policy affecting TMIB's business activities could adversely affect its financial condition, results of operations and prospects.

In Bangladesh, local regulators have significant latitude in the administration and interpretation of telecommunications licenses and recently the local regulator has taken an increasingly stringent approach to regulation. The BTRC had in the past alleged that TMIB had been involved in the illegal operation of VoIP services in violation of the terms of its license as well as certain statutory provisions. Following a series of meetings between the BTRC and TMIB, the parties agreed to a settlement of the matter by execution of an agreement with a provision for payment of an administrative fine of BDT1.45 billion by TMIB under the BTA, which was expensed and fully paid in 2007.

Any future unfavourable decisions by Bangladeshi regulators, including the amendment or revocation of any existing licenses, could adversely affect TMIB's financial condition, results of operations and prospects.

(iii) TMIB is in the process of applying for approvals for most of its BTS.

In the course of building and expanding its network, TMIB constructed BTS throughout Bangladesh. The approvals of local council, the Civil Aviation Authority (if such construction is in the vicinity of an airport) and the Department of Environment are required for the erection of any installation and its use by any person or authority. As of Latest Practicable Date, TMIB had 4,005 BTS located throughout Bangladesh, of which most currently do not have the full approvals required. TMIB is in the process of applying for approvals for all of these sites.

It has been recently reported that in an industry-wide move, the relevant authorities have begun to enforce the requirement that all operators in Bangladesh must obtain the necessary approvals and have issued notices to demolish structures that do not have such approvals. While TMIB is in the process of applying for approvals together with the other operators, there can be no assurance that the relevant authorities will grant approvals for all its sites. If such approvals are not obtained, the relevant towers may have to be relocated, which may cause significant disruption to TMIB's operations and adversely affect TMIB's financial condition and results of operations.

4.2.5 TMIC

(i) Legal and economic reforms in Cambodia may adversely affect TMIC.

Cambodia is an emerging market, with its economy, laws and regulatory regimes in a relatively early stage of development and not as well established as those of other more developed countries. Cambodia is in the process of implementing economic and legal reforms. Furthermore, it is difficult to predict or anticipate future developments, as the Cambodian legal system is undergoing and expected to continue to undergo substantial change. As the legal system of Cambodia develops, there remain inconsistencies in laws and regulations, difficulties in implementation of laws and time delays before prior laws are updated to accord with newer regulations and laws.

Further, Cambodia officially joined the World Trade Organisation ("WTO") in October 2004 and in conjunction with the accession to the WTO, the Cambodian government has been in the process of preparing and submitting to its National Assembly laws covering a wide range of areas from judicial systems and law making to private business, foreign direct investment, capital markets regulation and international trade that will re-write Cambodia's legislative and regulatory infrastructure. We are unable to ascertain the impact of such new laws and regulations on TMIC's results of operations and financial condition. Any unfavourable new laws and regulations or implementation thereof may result in an adverse effect on TMIC's results of operations, business and prospects.

Although current foreign investment laws in Cambodia prohibit the nationalisation of foreign investments without full compensation and allow for repatriation of investment profits, there is no assurance that mandatory nationalisation or restrictions on foreign currency repatriation will not be implemented in the future, whether due to changes in economic or political agendas or whether motivated by national interests. In such an event, there is no assurance that our investment in TMIC will not be adversely affected.

(ii) The telecommunications law of Cambodia is in the process of being adopted.

Currently, the Ministry of Posts and Telecommunications of Cambodia ("MPTC") is responsible for the regulation, administration and management as well as licensing of telecommunications services. The Cambodian government is in the process of developing and implementing policy reforms to the telecommunications sector. In connection with such reforms, the telecommunications law of Cambodia ("Law on Telecommunications") is in the process of being adopted. There is no known timetable as to when the Law on Telecommunications will be passed. Once the Law on Telecommunications is passed, a regulatory authority is expected to be established. The regulatory authority will be responsible for implementing and enforcing the Law on Telecommunications as well as telecommunications regulations. However we are unable to predict how it will be implemented and interpreted.

The administration of laws and regulations by Cambodian government agencies is subject to considerable discretion and, in many areas, the legal framework is vague, contradictory, not comprehensive and subject to varying interpretation. There can be no assurance that the adoption and implementation of the Cambodia Telecommunications Law against the broad telecommunications sector reforms will not have an adverse effect on TMIC's results of operations, financial condition and prospects.

(iii) TMIC faces competition from well-established Cambodian mobile telecommunications industry incumbents and may face competition from new market entrants that may adversely affect its business, results of operations, financial condition and prospects.

The Cambodian mobile telecommunications market is competitive. According to Frost & Sullivan, TMIC's most prominent competitors are Mobitel, the country's largest mobile telecommunications service provider with a market share of 67.3% as of December 31, 2007, and Camshin, a joint venture owned by Thailand's Shin Satellite Plc of Shinawatra Corporation and Asia Mobile Holdings Pte Ltd, with a market share of 19.1% as of December 31, 2007. As of December 31, 2007, TMIC had a market share of 12.7%, according to Frost & Sullivan. Increasing competition is anticipated to arise from other new mobile telecommunications operators in Cambodia. In addition to the current service providers, the independent regulatory authority which will be established after the Cambodia Telecommunications Law is passed, may also license additional telecommunications service providers in the future, which may compete with TMIC. New and existing mobile telecommunications service providers may significantly increase subscriber acquisition costs by offering more attractive product and service packages, resulting in higher average monthly churn, lower ARPU or a reduction, or slower growth, in TMIC's subscriber base. There is no assurance that TMIC's business, results of operations, financial condition and prospects may not be adversely affected.

(iv) TMIC may not be able to obtain financing from financial institutions in Cambodia, if necessary, to fund its capital expenditure requirements due to the "Single Customer Limit" policy imposed by the National Bank of Cambodia on all banks in Cambodia.

TMIC is currently expanding its networks, operations and services, all of which will require significant capital expenditures. It also requires capital to service license fee payments and other expenditures. Financial institutions in Cambodia are subject to legal lending limitations based on their capital base which only allow each bank to lend a maximum of 20% of its net tangible assets to a single customer. As many of such financial institutions have relatively small capital bases, TMIC may not be able to obtain sufficient funding locally. Cambodia also imposes a withholding tax of 14.0% on interest payments to foreign lenders, thereby further restricting TMIC's ability to obtain additional financing. We cannot assure you that TMIC will be able to obtain financing in Cambodia and TMIC may be required to obtain financing from foreign lenders.

4.3 RISKS RELATING TO MALAYSIA AND THE ASIAN REGION

4.3.1 Political, economic and social developments in Malaysia and other Asian countries may adversely affect our Group.

As a substantial portion of our Group's operating revenues are derived from activities in Asia, in particular Malaysia, Indonesia and Sri Lanka, our Group's business, prospects, financial condition and results of operations may be adversely affected by political, economic and social developments in the Asian countries in which we operate. In mid-1997, following the substantial depreciation of the THB, many countries in Asia, including Malaysia, experienced a significant economic downturn and related economic, financial and social difficulties. As a result of the decline in value of a number of the region's currencies, many Asian governments and companies had difficulty in servicing foreign-currency denominated debt and many corporate customers defaulted on their debt repayments. As the economic crisis spread across the region, governments raised interest rates to defend weakening currencies, which adversely impacted domestic growth rates. In addition, liquidity was substantially reduced as foreign investors withdrew or reduced investment in the region and domestic banks restricted additional lending activity. The currency fluctuations, as well as higher interest rates and other factors, materially and adversely affected the economies of many countries in Asia. A recurrence of similar adverse economic developments in Asia could have a material adverse effect on Malaysia and its economy and consequently on our Group's financial condition and results of operations. In addition, any other adverse change in trends or a general economic slowdown as a result of changes in labour costs, inflation, interest rates, taxation or other political or economic developments in the key markets in Asia in which our Group operates could materially affect the financial condition or results of operations of our Group and the ability of our Company to pay dividends on our Shares.

Any change in government policy or any political instability arising from these changes, may have a material adverse effect on our Group, its business, operations, financial condition and prospects. Furthermore, any changes in the composition of governments could result in a change in policies, including with respect to the telecommunications industry in the Asian markets in which we operate, which may result in increasing competition and/or increasing regulation of our Group's activities. For example, in Malaysia's general election held on March 8, 2008, the Barisan Nasional coalition secured 62% of the seats in parliament, slightly short of the two-thirds majority required for any changes to the constitution of Malaysia to be passed. The opposition was able to form the state government in 5 of Malaysia's 13 states, up from only 1 state previously. It is unclear whether or how this may impact Malaysia's economic growth investment prospects and telecommunications regulations. Any change to the regulation of our Group's telecommunications, activities may have a material adverse effect on our Group's business results of operations and financial condition. Other political and economic uncertainties include but are not limited to the risks of war, terrorism, riots, expropriation, nationalism, renegotiations or nullifications of existing contracts, changes in interest rates and methods of taxation.

4.3.2 The outbreak of an infectious disease in Asia may negatively impact our Group's business, financial condition and results of operations.

Demand for much of our Group's products may be affected by, among other things, the strength or weakness of the Malaysian economy as well as the economies of other Asian countries. An infectious disease outbreak in Malaysia or other parts of Asia could have a significant impact on the Malaysian economy as well as the economies of other Asian countries which could lead to a decline in the Malaysian economy or the economies of other Asian countries, as the case may be, which may have a material adverse effect on our Group's business, financial condition and results of operations. An epidemic or outbreak could also require quarantine and other safeguard measures resulting in temporary closures or work stoppages at our Group's main office and branches, which may also have a material adverse effect on our Group's business, financial condition and results of operations.

4.3.3 Natural disasters in certain of the Asian countries in which we operate could disrupt the economy of such countries and our business.

We have significant operations in Indonesia through XL. The Indonesian archipelago is one of the most volcanically active regions in the world. As Indonesia is located in the convergence zone of 3 major lithospheric plates, it is subject to significant seismic activity that can lead to destructive earthquakes, tsunamis, tidal waves and volcanic eruptions. In December 2004, an underwater earthquake off the coast of Sumatra caused a tsunami that devastated coastal communities in Indonesia, Thailand and Sri Lanka. In Indonesia, more than 220,000 people died or were recorded as missing in the disaster. Aftershocks from the December 2004 tsunami also claimed casualties. Indonesia has also experienced major earthquakes in 2006 and 2007. On September 12, 2007, a strong tremor measuring 8.4 magnitude struck Bengkulu, southern Sumatra, resulting in more casualties. Most recently, a 7.2 magnitude earthquake struck Sumatra on February 25, 2008.

A significant earthquake or other geological disturbance in any of Indonesia's more populated cities and financial centres could severely disrupt the Indonesian economy and undermine investor confidence and have a material adverse effect on our business, financial condition, results of operations and prospects.

Our operations in other countries may also be subject to severe local weather conditions such as floods and lightning strikes which may cause damage to our networks and disrupt our operations and services. For example, in Malaysia, Johor and Kuala Lumpur were hit by severe flash floods in January and June 2007, respectively and in Bangladesh, Chittagong had floods and mudslides in June 2007. Other parts of Bangladesh also experienced floods in August and September 2007 and was hit by Cyclone Sidr on November 15, 2007, which caused over 2,000 deaths and severe damage.

4.3.4 Depreciation of the currencies in which we conduct operations and exchange rate fluctuations as well as changes in fiscal policies in the countries in which we operate may adversely affect our Group.

BNM, Malaysia's Central Bank, has in the past intervened in the foreign exchange market to stabilise the Ringgit Malaysia and on September 1, 1998, fixed the exchange rate of the Ringgit Malaysia to the USD at RM3.80 to USD1.00. On July 21, 2005, BNM announced that the exchange rate of the Ringgit Malaysia will be allowed to operate in a managed float, with its value being determined by various economic factors. BNM had stated that it would monitor the exchange rate against a currency basket to ensure that the exchange rate will not deviate significantly from the current exchange rate, which may result in significantly higher domestic interest rates, liquidity shortages or other exchange controls. However, there is no assurance that BNM will continue this policy in the future or that it will be successful in doing so. There can be no assurance that the Government will not impose more restrictive or other foreign exchange controls.

If the currencies of various countries in which we conduct our operations fluctuate relative to the Ringgit Malaysia, which we use as our reporting currency in our financial statements, these fluctuations may result in higher or lower financial numbers after translation into Ringgit Malaysia. Major devaluation or depreciation of any such currencies may also result in disruption of the international foreign exchange markets and may limit our ability to transfer or to convert such currencies into Ringgit Malaysia and other currencies. In addition, the governments of certain countries in which we operate, such as India, have instituted, and other countries may in the future institute, restrictive exchange rate policies that limit or restrict our ability to convert their respective currencies into other currencies or to transfer other currencies out of their jurisdictions. We cannot assure you that currency fluctuations or limitations on our ability to convert or transfer currencies would not have a material adverse effect on our financial condition and the results of our operations.

Further, the value of certain of the currencies in which we conduct our operations such as IDR have historically been subject to depreciation against the USD and the currencies of other developed countries. Fluctuations in exchange rates may adversely affect our business, financial condition, results of operations and prospects in various ways. For example, as of December 31, 2007, on a Post Acquisition Proforma basis, 33.7% of our indebtedness is denominated in USD and substantially all of our capital expenditures are either denominated in USD or denominated in local currencies that are affected by international USD prices. In particular, the prices of most of our network equipment are based on international USD prices. However, a substantial portion of our other operating expenses and revenues are denominated in local currencies. Thus, fluctuations in exchange rates, especially in the relative values of the USD and the RM, IDR or SLR, will affect our costs and our net operating profits.

4.3.5 Non-compliance with policies and rules pertaining to foreign ownership in Malaysian telecommunications business may result in sanctions.

The foreign equity restrictions stipulated under the Guideline on the Acquisition of Interest, Mergers and Take-Overs by Local and Foreign Interests issued by the FIC apply to our Company whereby the FIC's approval is required for, amongst others, any proposed acquisition of shares in our Company which is RM10 million or more in value or which results in a single foreign shareholder holding 15% or more of our total issued capital or the aggregate foreign shareholding of our total issued capital increasing to 30% or more, with the exception of open market acquisitions on Bursa Securities meant for short term holding, which only requires notification to the FIC. Approval to hold foreign shareholding beyond the thresholds stated above is at the discretion of the FIC.

Based on the Record of Depositors and Register of Members of TM as of Latest Practicable Date at Listing, the Malaysian local direct ownership in our Company is expected to represent approximately 78.0% of our total issued Shares. However, once our Shares are listed, it would not be possible to restrict any transfer of Shares to ensure compliance with any policy limiting foreign ownership in our Company. We are unable to ascertain the risks we may be subject to in the event the Government chooses to enforce any foreign ownership restriction policy. It is also not known if any penalties or requirements (if any) would be imposed by the Government to sanction or remedy non-compliance with any such policy. In addition, any limitation on foreign beneficial ownership of our Company may adversely affect our ability to raise additional foreign equity or convertible debt financing in the future.

The MCMC has indicated that foreign equity restrictions applicable to our Malaysian subsidiaries holding individual licenses issued under the CMA are as follows:

(i) the maximum foreign shareholding for a network facilities provider individual licensee and a content applications service provider individual licensee is 30%; and

(ii) the foreign shareholding limit for a network service provider individual licensee is generally 49%. However, the MEWC may, on a case to case basis, permit foreign shareholding up to a maximum of 61% to be reduced to 49% within 5 years.

Individual licenses:

(i) have license conditions which stipulate the maximum foreign shareholding allowed in the licensee; or

(ii) have a general condition only that requires the licensee to comply with relevant laws and guidelines pertaining to restrictions on foreign shareholding in the licensee. However, the MCMC has indicated that these licensees will need to comply with the policy mentioned above even though there is no specific foreign shareholding limit stipulated in the license.

It is unclear whether foreign shareholding refers only to direct foreign shareholding only or also to the ultimate foreign beneficial ownership. In the event that the Malaysian authorities deem foreign shareholding to include ultimate foreign beneficial ownership, an increase in foreign shareholding in our Company may also result in the foreign shareholding limits in our Malaysian subsidiaries holding individual licenses being exceeded, which in turn would result in a breach of their license conditions. Non-compliance with any individual license condition, including those pertaining to foreign shareholding restrictions, may result in the suspension or cancellation of the individual licenses.

4.4 RISKS RELATING TO OUR SHARES

4.4.1 There has been no prior market for our Shares.

There has been no prior trading market for our Shares. There can be no assurance as to the liquidity of any market that may develop for the Shares, the ability of holders to sell their Shares or the prices at which holders would be able to sell their Shares.

4.4.2 Any future equity offerings by us could lead to dilution of your shareholding or adversely affect the market price of our Shares.

Subsequent to our Listing, we may fund our operations, expansion and/or capital expenditure through the issuance of equity and equity-linked securities in our Company. At the same time, our management will also monitor market conditions and plan our fund raising programmes accordingly. Any equity issued by our Company will dilute the shareholdings of existing shareholders and could also have a material adverse impact on our market share price.

4.4.3 Our Company's share price may be volatile.

The price of the Shares may fluctuate as a result of variations in operating results. If the trading volume of the Shares is low, the price fluctuations may be exacerbated. Since our Group's prospects are linked with technology, and our Group and our businesses are to a great extent driven by technology, the price of the Shares may rise and fall in tandem with announcements of technological or competitive developments, acquisitions or strategic alliances by our Group or our competitors. The price of the Shares, as are typical of those of companies in telecommunications sectors, are also prone to news regarding the gain or loss of significant subscribers or key personnel, as well as changes in securities analysts' estimates of its financial results or recommendations.

4.4.4 As a holding company, we rely on the ability of our operating companies to generate earnings and pay dividends to us, and any decline in the earnings of our operating companies or their ability to pay dividends to us would materially and adversely affect our performance and operational flexibility.

Our Company conducts all of our operations directly or indirectly through our operating companies and we have no significant operations of our own. Most of our assets are held by, and substantially all of our earnings and operating cash flows are attributable to, our operating companies. Accordingly, an important source of our Company's income, and consequently an important factor in our Company's ability to pay dividends on the Shares, is dividends and other distributions received from our subsidiaries and associates. Each of our operating companies' ability to pay dividends or make other distributions to our Company are subject to any restrictions contained in any financing arrangements or loan agreements which may limit dividends unless the prior written consent of the lenders is obtained, as well as to it having sufficient funds which are not needed to fund its operations, other obligations or business plans. We cannot assure you that our operating companies will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to enable us to meet our obligations, pay interest and expenses or declare dividends. Restrictions on the ability of our operating companies to pay dividends to us may adversely impact our operational flexibility and growth prospects.

Further, as our Company is a shareholder in our operating companies, our claims as such will generally rank junior to all other creditors and claimants against our operating companies. In the event of an operating company's liquidation, there may not be sufficient assets for our Company to recover our investment. For a description of our Company's dividend policy, see "Section 7 - Dividend policy".

4.4.5 The sale or the possible sale of a substantial number of our Shares in the public market following the Listing could adversely affect the price of our Shares.

Any future sale or availability of our Shares in the public market can have a downward pressure on our market share price. The sale of a significant amount of our Shares in the public market after the Listing, or the perception that such sale may occur, could materially and adversely affect the market price of our Shares. These factors may also restrict our opportunities to issue additional equity securities.

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5. PRE-LISTING RESTRUCTURING AND ACQUISITION

5.1 PRE-LISTING RESTRUCTURING

On March 6, 2008, the shareholders of TM approved a proposed demerger of the TM Group to create 2 separate entities with distinct business strategies and goals. The proposed demerger exercise is conducted through the Pre-Listing Restructuring.

5.1.1 Implementation of the Pre-Listing Restructuring

TM's objectives for the Pre-Listing Restructuring are as follows:

(i) to create 2 separate business groups which will be allowed to pursue separate and distinct business strategies and goals. These 2 business groups will be:

(a) our Group, which will include the TM Group's mobile telecommunications and non-Malaysian businesses to be consolidated under our Company and Malaysian mobile telecommunications operations under the Celcom Group; and

(b) the fixed-line voice, data and broadband services and other telecommunications and non-telecommunications-related businesses which shall continue to be carried out by the TM Group Post Restructuring;

(ii) to allow the 2 separate business groups and their management to focus on their respective businesses and accelerate operational improvement and growth; and

(iii) to facilitate a business centric valuation of the 2 separate business groups and potentially unlocks value for their shareholders.

In connection with the Pre-Listing Restructuring, TM had, on December 10, 2007, entered into the Demerger Agreement with its wholly-owned subsidiaries, TESB, CTX, our Company and Celcom to give effect to the Pre-Listing Restructuring. As of the date of this document, the Demerger Agreement is unconditional in all respects. The entire issued and paid-up share capital of our Company will be listed on the Main Board following the completion of the Pre-Listing Restructuring. The Pre-Listing Restructuring is intended to be completed by the end of April 2008.

The Pre-Listing Restructuring comprises (i) an internal restructuring of the TM Group, and (ii) a distribution of Shares to the entitled shareholders of TM, which are each described in the summary below.

5.1.2 Internal restructuring

The proposed internal restructuring of the TM Group comprises the following ("Internal Restructuring"):

(i) CTX, a wholly-owned subsidiary of Celcom, will transfer its entire holding of 38,250,000 ordinary shares of RM1.00 each in Fibrecomm, representing 51% of Fibrecomm's issued and paid-up share capital, to TESB for a consideration of RM33.0 million;

(ii) TESB, a wholly-owned subsidiary of TM, will transfer its entire holding of 1,237,534,681 ordinary shares of RM1.00 each in Celcom, representing 100% of Celcom's issued and paid-up share capital, to our Company for a consideration of RM4,677.0 million;

(iii) TM will transfer its entire holding of 37,433,992 SunShare RCPS, representing approximately 51% of SunShare's issued and paid-up share capital, to our Company for a consideration of RM141.0 million; and

(iv) the settlement of a net amount of RM3,041.0 million owing by our Group to the TM Group Post Restructuring under various intercompany loans upon the completion of the Pre-Listing Restructuring as of November 30, 2007.

The net consideration payable by our Company to the TM Group Post Restructuring of RM7,826.0 million will be satisfied as follows:

(i) RM3,801.0 million shall be satisfied through the issuance of such number of new Shares by our Company in favour of TM or its nominee(s) at an issue price to be determined such that the enlarged number of Shares (after the Pre-Listing Restructuring) is the same as the number of TM Shares in issue as at the Entitlement Date;

(ii) RM2,925.0 million shall be left as a debt outstanding from our Company to TM ("First Amount Owing") at a finance cost of 5.90% per annum and on the terms described below; and

(iii) RM1,100.0 million shall be left as a debt outstanding from our Company to TM ("Second Amount Owing") at a finance cost of 6.72% per annum and on the terms described below.

In addition, as part of the Internal Restructuring, TM proposes to transfer the 3G Spectrum Assignment to Celcom on an "as is where is basis", for a consideration of RM40.1 million which shall be paid in cash.

Based on TM's and our Company's number of issued and paid-up ordinary shares as of the Latest Practicable Date, of 3,577,401,980 TM Shares and 35,693,116 Shares, respectively, 3,541,708,864 new Shares will be issued under the Pre-Listing Restructuring at an issue price of approximately RM1.07 per Share. See "Section 16.1 – Shares – Changes in the issued and paid-up share capital of our Company".

The purchase consideration for the Fibrecomm shares, Celcom shares and SunShare RCPS are based on the cost of investment, while the transfer consideration for the 3G Spectrum Assignment is based on its carrying amount, as recorded in the management accounts of the respective vendors as of November 30, 2007.

The finance costs for the First Amount Owing and Second Amount Owing are based on the weighted average finance cost of the principal amount of the Hijrah Bonds as of November 30, 2007 and the weighted average finance cost of the TM Group Post Restructuring, excluding the Hijrah Bonds as of November 30, 2007, respectively.

The First Amount Owing and Second Amount Owing are intended to be repaid through our Group's internally generated funds or financed by our Group through debt securities/bank borrowings (in Ringgit Malaysia or foreign currency) after completion of the Pre-Listing Restructuring.

The other salient terms of the Demerger Agreement are as follows:

(i) The First Amount Owing and Second Amount Owing will be payable by our Company to TM within 12 months from the date of completion of the Internal Restructuring ("Restructuring Completion Date"). Pending such payment, our Company shall make semi-annual interest payments on June 30 and December 31 of each year commencing from the Restructuring Completion Date at the prescribed finance costs as stated above until the respective outstanding amounts are fully paid, unless otherwise agreed in writing between TM and our Company; and

(ii) TESB, relying on the warranties, representations and indemnity by CTX, shall purchase Fibrecomm shares and our Company, relying on the warranties, representations and indemnity by TESB and TM, shall purchase Celcom shares and SunShare RCPS respectively, on an "as is where is basis", free from all encumbrances and liabilities and with all rights, benefits and advantages attaching thereto, including all bonuses, rights, dividends and distributions declared, made and paid up to the Restructuring Completion Date.

Under the Demerger Agreement, the warranties, representations and indemnities (i) from TESB and TM to our Company in respect of the purchase of the Celcom shares and the SunShare RCPS; and (ii) from our Company to TM for Shares to be issued under the Demerger Agreement are limited to the following:

(i) each of the parties has the legal right and authority to enter into the Demerger Agreement;

(ii) the audited accounts have been prepared in accordance with generally accepted accounting principles, standards and practices in Malaysia;

(iii) compliance with the terms of the Demerger Agreement will not result in a breach, conflict or default under subsisting agreements, contracts, or other obligations; nor relieve any person from contractual obligations to the parties; nor create encumbrances on any assets of the parties; nor result in any indebtedness being declared or payable before its maturity; and

(iv) the parties are not aware of any circumstances which might adversely affect their ability to perform their respective obligations under the Demerger Agreement.

As such, we will not be able to take any action against TM for any potential or subsisting liabilities arising from the Pre-Listing Restructuring in the event that such liabilities should arise.

The Shares to be issued under the Pre-Listing Restructuring shall, upon allotment and issuance, rank equally in all respects with the other issued Shares which are fully paid-up except that they shall not entitle the holders to any dividend, right, allotment and/or such other distributions in respect of which the entitlement date is before the date of allotment of such Shares.

5.1.3 Distribution of Shares

Following and subject to the Internal Restructuring, TM will distribute, via a dividend in specie ("Distribution"), out of its retained earnings, its entire holding of and rights to our Shares to TM's entitled shareholders whose names appear in its Record of Depositors or Register of Members as of the Entitlement Date on the basis of 1 Share for every TM Share held by such entitled shareholders of TM. Upon completion of the Distribution, such entitled shareholders would hold directly such number of Shares in the same proportion as their shareholdings in TM and TM will not continue to hold any Shares.

5.1.4 Completion of Pre-Listing Restructuring and relationship between our Group and the TM Group Post Restructuring

The Internal Restructuring and the Distribution are intended to be completed on the same day, which shall be the date of completion of the Pre-Listing Restructuring. Upon completion of the Pre-Listing Restructuring, our Company will be the holding company for all of the TM Group's mobile telecommunications and non-Malaysian businesses, and TM will cease to hold any Shares in us.

The remaining businesses of the TM Group Post Restructuring will be their fixed-line voice, data and broadband services and other telecommunications and non-telecommunications-related businesses.

On December 10, 2007, TM, Celcom and our Company entered into an agreement to govern the existing and future commercial arrangements or transactions between the TM Group Post Restructuring and our Group following the Pre-Listing Restructuring ("Framework Agreement") for a period of 3 years from completion of the Pre-Listing Restructuring or such other time as may be mutually agreed in writing. The general principles of the Framework Agreement include the following:

(i) any arrangements or transactions entered into amongst TM, Celcom and our Company shall be on an arm's length commercial terms basis;

(ii) TM, Celcom and our Company shall, in good faith and in the spirit of mutual co-operation, work towards finalisation of the terms for joint co-operation with clear and fair incentives for their respective contributions;

(iii) TM, Celcom and our Company shall ensure that there is no disruption in the provision of service to business customers of the other party; and

(iv) TM, Celcom and our Company shall use their best endeavours to conclude any arrangements and transactions in an expedient manner.

The Framework Agreement also provides that, for a period of 3 years from the completion of the Pre-Listing Restructuring, the TM Group Post Restructuring will not engage in or make any investment in any mobile business without our Group's prior consent, and our Group will not engage in or make any investment in any fixed-line business in Malaysia without the prior consent of the TM Group Post Restructuring. This is not intended to restrict TM, Celcom and our Company but to make it clear that the TM Group Post Restructuring will be focusing on fixed-line business whilst our Group focuses on mobile business. In addition, the TM Group Post Restructuring shall use its reasonable endeavours to procure that any new opportunities arising from time to time, within the scope of the mobile business in which a member of the TM Group Post Restructuring is offered the chance to participate, are first offered to our Group in accordance with the first right of refusal procedure set out in the Framework Agreement, and vice versa in respect of the fixed business.

Further to the Framework Agreement, the following definitive agreements in respect of the operational linkages between the TM Group Post Restructuring and our Group ("Definitive Agreements") were signed on March 5, 2008:

(i) Sales and Marketing Agreement, which covers the sales and marketing of the products and services of the TM Group Post Restructuring and Celcom;

(ii) International Business Agreement, which covers the business arrangement for voice, data and professional services including the provision of consultancy services and solutions;

(iii) Information Technology Services Agreement, which covers the provision and sharing of IT resources and infrastructure, including the provision relating to the sharing of customer data and information;

(iv) Network Agreement, which covers the provision of domestic network services in Malaysia;

(v) Human Resources and Insurance Management Services Agreement, which covers the human resource related services and insurance coverage offered by the TM Group Post Restructuring to our Group; and

(vi) Research and Development Agreement which covers the current R&D activities of the TM Group Post Restructuring and Celcom.

5.2 ACQUISITION

On February 6, 2008, TM announced that on the same date, our Company and Indocel entered into a share sale and purchase agreement ("SPA") with Khazanah for the following:

(i) acquisition by our Company from Khazanah of 35,965,998 SunShare RCPS and 2 SunShare Shares, collectively representing approximately 49.0% of the issued and paid-up share capital of SunShare, for a purchase consideration of RM155.0 million; and

(ii) acquisition by Indocel from Khazanah of 1,191,553,500 ordinary shares of IDR100 each in XL Shares, representing approximately 16.81% of the issued and paid-up share capital of XL, for a purchase consideration of RM1,425.0 million;

whereby the aggregate purchase consideration of RM1,580.0 million will be satisfied through the issuance of 176,000,000 new Shares ("Consideration Shares") at an issue price of approximately RM8.98 per Share if the Pre-Listing Restructuring has become unconditional in accordance with the terms and conditions of the Demerger Agreement.

The 35,965,998 SunShare RCPS, 2 SunShare Shares, and 1,191,553,500 XL Shares are collectively referred to as the "Sale Shares".

The aggregate purchase consideration ("Purchase Consideration") for the Sale Shares and issue price of the Consideration Shares above were arrived at on a willing buyer-willing seller basis after taking into consideration the following:

(i) SunShare's profit after taxation, net assets and bank borrowings of SGD57.0 million, SGD180.6 million and SGD540.0 million, respectively (equivalent to RM129.8 million, RM411.2 million and RM1,229.6 million respectively based on the exchange rate of SGD1.00 : RM2.2770 prevailing on February 6, 2008) based on SunShare's audited financial statements for the financial year ended December 31, 2006;

(ii) the 3-month adjusted volume weighted average market price of M1's shares up to January 15, 2008 of approximately SGD1.94 per share (equivalent to RM4.42 per share or a market capitalisation of RM3,947.5 million, based on the exchange rate of SGD1.00 : RM2.2770 prevailing on February 6, 2008). As of the Latest Practicable Date, SunShare had no investment other than a 29.7% equity interest in M1;

(iii) XL's profit after taxation and net assets of IDR651.9 billion and IDR4,281.2 billion respectively (equivalent to RM228.2 million and RM1,498.4 million respectively based on the exchange rate of IDR100 : RM0.0350 prevailing on February 6, 2008) based on XL's audited consolidated financial statements for the financial year ended December 31, 2006;

(iv) the purchase consideration of the recent transaction as announced by Emirates Telecommunication Corporation ("Etisalat") on December 11, 2007, whereby Etisalat, through its subsidiary, acquired 15.97% equity interest in XL from Bella Sapphire Ventures Ltd for a total purchase consideration of USD438.1 million (equivalent to RM1,452.0 million based on the exchange rate of USD1.00 : RM3.314 prevailing on December 11, 2007); and

(v) our Group's Post Restructuring Proforma PATAMI and net assets of RM1,150.1 million and RM8,150.0 million respectively based on our Company's proforma consolidated financial statements after the Pre-Listing Restructuring for the financial year ended December 31, 2006 and the market prices of the publicly listed subsidiaries and associated companies of our Group.

As of the date of this document, the SPA is unconditional in all respects. The Acquisition is expected to be completed by the end of April 2008.

Prior to the Acquisition, SunShare was a jointly-controlled entity of the TM Group and Khazanah. Upon the completion of the Pre-Listing Restructuring and Acquisition, SunShare will be a subsidiary of our Company, and will be consolidated into the TMI Group.

The other salient terms of the SPA are as follows:

(i) Khazanah shall sell and transfer to our Company (in relation to SunShare RCPS and SunShare Shares) and Indocel (in relation to XL Shares), and our Company and Indocel, relying on the warranties and representations by Khazanah contained in the SPA, shall purchase the Sale Shares at the Purchase Consideration free from all encumbrances and all liabilities and with all rights, benefits and advantages attaching thereto, including all bonuses, rights, dividends and distributions declared, made and paid as from the completion date of the Acquisition ("Completion Date"). The Completion Date shall be a date falling within 1 month from the date when all the conditions precedent in relation to the Acquisition are fulfilled or such other date as our Company, Indocel and Khazanah may mutually agree in writing;

(ii) our Company, Indocel and Khazanah agree that our Company and Indocel shall only be required to acquire the Sale Shares if our Company and Indocel are able to acquire all, and not part of, the Sale Shares in the manner stated in the SPA;

(iii) the Acquisition is conditional upon, amongst others, our Company having been notified of the outcome of the last condition precedent of the Pre-Listing Restructuring as set out in the Demerger Agreement and in the event that the Pre-Listing Restructuring becomes unconditional, the Acquisition is conditional upon the approval of TM's shareholders and the approval of the SC for the exemption from Khazanah having to carry out the mandatory offer on the remaining Shares not held by Khazanah upon completion of the Acquisition. In addition, the Acquisition is conditional upon the approvals pertaining to the Acquisition being obtained within 3 months from the date of the SPA or such other extended period as our Company, Indocel and Khazanah may mutually agree, failing which the SPA shall lapse and be of no further force and effect;

(iv) our Company, Indocel and Khazanah, subject to the extent permitted by law or the rules of the relevant regulatory authorities, may waive any of the conditions precedent at any time by notice in writing to the other parties to the SPA; and

(v) on the Completion Date, our Company and Khazanah shall take all necessary steps to terminate the joint venture and shareholders' agreement dated August 17, 2005 entered into by our Company, Khazanah and SunShare in relation to the acquisition by SunShare of shares in M1, which was restated on September 23, 2005 pursuant to a subscription agreement dated September 23, 2005 entered into by TM, Khazanah and SunShare in relation to subscription by TM and Khazanah of SunShare RCPS.

Since the Acquisition involves the acquisition by the TMI Group of additional stake in companies in which the TM Group already holds equity interest and has board representation, the warranties and representations from Khazanah to our Company and Indocel in respect of the purchase of the Sale Shares under the SPA are limited to the following:

(i) Khazanah has the legal right, authority and power to enter into the SPA and to bind itself to the SPA and to exercise its rights and perform its obligations thereunder;

(ii) the Sale Shares are free from any claims, charges, liens, encumbrances or equities and Khazanah has and will, until the Completion Date, continue to retain the unrestricted rights to transfer the Sale Shares and there is not and will not be any option over or right to acquire any of the Sale Shares;

(iii) compliance with the terms of the SPA does not and will not result in a breach of, or constitute a default under any agreement or document to which SunShare and/or XL are a party, nor result in the creation of any encumbrances on any assets of SunShare and/or XL, nor result in any present or future indebtedness of SunShare and/or XL being due and payable or capable of being declared due and payable prior to its stated maturity; and

(iv) Khazanah is not aware of any circumstances which might adversely affect its inability to perform its obligations under the SPA.

Other than the Purchase Consideration, the TMI Group will not be assuming any liability (including contingent liabilities and guarantees) under the Acquisition. Nonetheless, the TMI Group may be required to assume the credit support currently provided by Khazanah and TM to the lenders of SunShare, pursuant to the Acquisition and the Pre-Listing Restructuring, respectively.

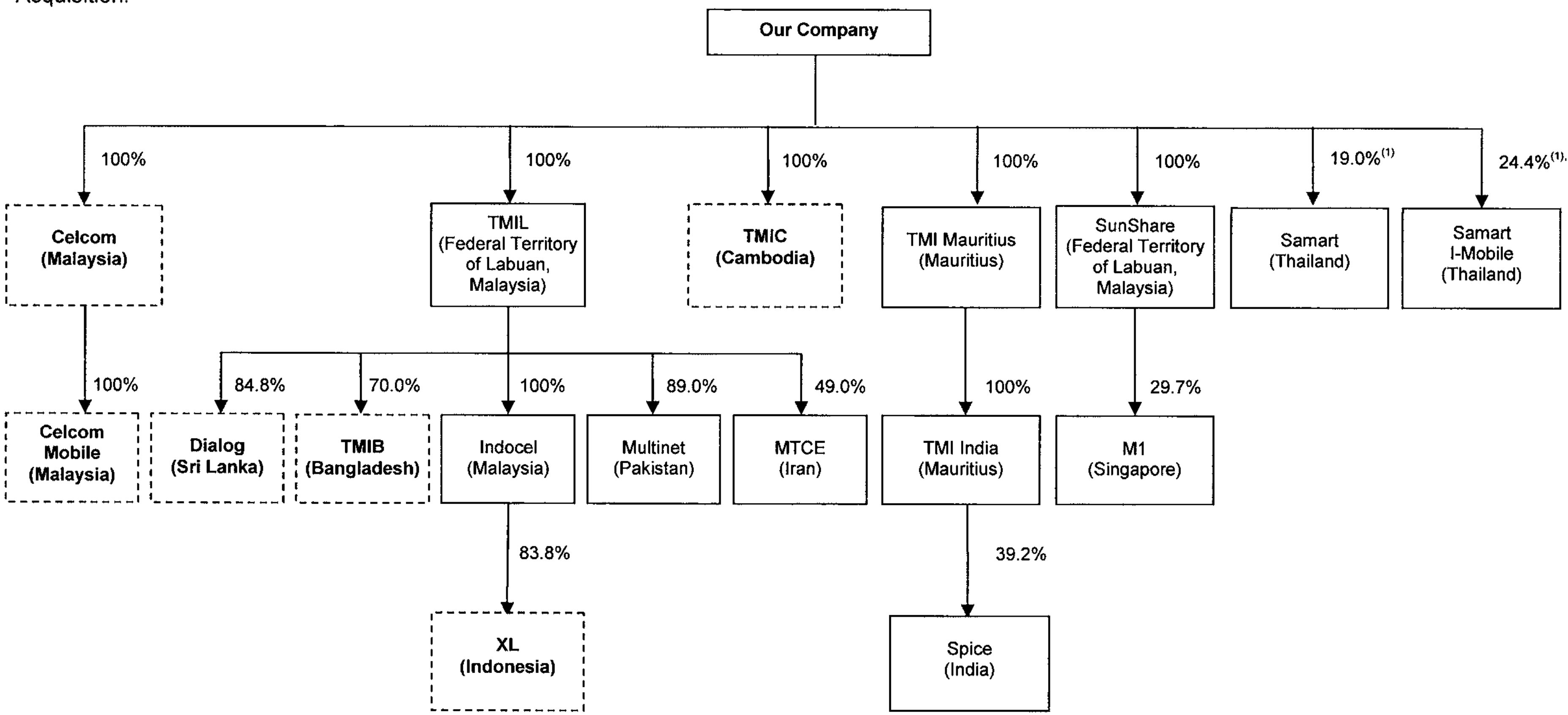
Upon completion of the Pre-Listing Restructuring and Acquisition, our Group will hold 100% of the issued and paid-up share capital of SunShare while our stake in XL will increase from 67.0% to 83.8% (based on shareholdings as of the Latest Practicable Date).

The new Shares to be issued under the Acquisition shall, upon allotment and issuance, rank equally in all respects with the existing Shares, except that they shall not entitle the holders to any dividend, right, allotment and/or such other distributions in respect of which the entitlement date is before the date of allotment of such new Shares.

See "Section 8 – Proforma consolidated financial information" for information on the financial effects of the Acquisition.

5. PRE-LISTING RESTRUCTURING AND ACQUISITION *(cont'd)*

The following chart sets out the group structure of the principal companies within our Group after the completion of the Pre-Listing Restructuring and Acquisition:



Notes:

(1) The respective shareholdings of TMI in Samart and Samart I-Mobile are as of December 31, 2007.

(2) Samart holds 57.7% direct and 1.2% indirect equity interest in Samart I-Mobile as of December 31, 2007. As such, the effective shareholding of TMI in Samart I-Mobile is 35.6% as of December 31, 2007.

[ ] Key operating subsidiaries

5.3 LISTING OF OUR COMPANY

The listing of our Company is intended to enhance the profile of our Group within the global investment community, provide us with direct access to the equity markets and increased flexibility in funding and allow you to have increased liquidity in respect of your shareholding in us.

5.4 APPROVALS AND CONDITIONS

The SC and SC (on behalf of the FIC) have approved the Pre-Listing Restructuring, Listing and issuance of our new Shares, via its letter dated January 30, 2008.

The MCMC has, via its letter dated February 21, 2008, given its approval for the transfer of the 3G Spectrum Assignment under the Pre-Listing Restructuring.

The shareholders of TM have, at TM's extraordinary general meeting held on March 6, 2008, given their approval for, amongst others, the Pre-Listing Restructuring, Listing and Acquisition.

The SC and SC (on behalf of FIC) has, via its letter dated March 28, 2008, given its approval for the Acquisition.

Bursa Securities has, via its letter dated March 31, 2008, given its approval-in-principle for the Listing.

The SAC has, via its letter dated April 2, 2008, classified our Shares as Shariah-compliant.

The conditions imposed by the authorities and the status of our compliance with these conditions are as follows:

(i) SC and SC (on behalf of FIC)'s letter dated January 30, 2008 ("Approval Letter"):

		Conditions	Status of compliance
(a)		CIMB and our Company should disclose in the listing prospectus the following:	
	(aa)	details on how and when our Company is to finance the repayment of the amount owing to TM pursuant to the Pre-Listing Restructuring; and	Complied with. The relevant disclosure has been included in Section 5.1.2 of this document.
	(bb)	impact to the operation and financials of Celcom in the event that the approvals sought for the construction of the transmission towers and rooftop sites ("Outdoor Structures") owned by the Celcom Group are not obtained;	Complied with. The relevant disclosure has been included in Sections 4.2.1(ii) and 11.5.1 of this document.
(b)		with regards to the Celcom Group's Outdoor Structures:	
	(aa)	TM/our Company to obtain the relevant approvals for all Outdoor Structures within 2 years from the date of the Approval Letter;	To be complied with.
	(bb)	our Company, when listed, to make quarterly announcements on the status of application on the Outdoor Structures to Bursa Securities until such approvals are obtained; and	On-going compliance.
	(cc)	our Company/CIMB to update the SC on the status of the application every quarter until such approvals are obtained;	On-going compliance.

Conditions		Status of compliance
(c)	the new Directors to be appointed to our Company's Board of Directors should submit their respective declarations in accordance with the SC's Policies and Guidelines on Issue/Offer of Securities ("Issues Guidelines") prior to the issuance of the listing prospectus of our Company;	Complied with.
(d)	the proposed substantial shareholder of our Company upon completion of the Pre-Listing Restructuring, namely Khazanah, should submit the details and confirmation in relation to, amongst others, the disclosure of circumstances that could result in a conflict of interests situation as required under the SC's Format and Content of Applications for Initial Public Offering prior to the issuance of the listing prospectus of our Company;	Complied with. The relevant disclosure has been included in Section 15.2 of this document.
(e)	TM to comply with any equity condition that may be imposed by MoF Inc pursuant to the Pre-Listing Restructuring;	Not applicable. MoF Inc did not impose any equity condition.
(f)	TM/Celcom to comply with any equity condition that may be imposed by the MCMC for the transfer of the 3G Spectrum Assignment under the Pre-Listing Restructuring; and	Not applicable. The MCMC has, via its letter dated February 21, 2008, approved the transfer of the 3G Spectrum Assignment without any equity condition.
(g)	CIMB, TM and our Company should inform the SC upon completion of the Pre-Listing Restructuring, Listing and issuance of Shares, and provide a confirmation to the SC that our Company has complied with the terms and conditions of approval and all other relevant requirements in implementing the Pre-Listing Restructuring, Listing and issuance of Shares under the Issues Guidelines.	To be complied with.

(ii) SC and SC (on behalf of FIC)'s letter dated March 28, 2008:

Condition	Status of compliance
CIMB and our Company should inform the SC upon completion of the issuance of the Consideration Shares, and provide a confirmation to the SC that our Company has complied with the terms and condition of approval and all other relevant requirements in relation to the issuance of the Consideration Shares under the Issues Guidelines.	To be complied with.

The SC has, via its letter dated January 24, 2008, approved the following:

(i) an exemption under Practice Note 2.9.7 of the Malaysian Code on Take-Overs and Mergers, 1998 ("Code") for TESB and person acting in concert with TESB from an obligation to carry out a mandatory take-over offer to acquire the remaining voting shares of Fibrecomm; and

(ii) a ruling under Practice Note 2.2 of the Code that our Company is not obligated to carry out a mandatory take-over offer to acquire the remaining voting shares of CTS,

upon the Pre-Listing Restructuring becoming unconditional.

The SC has, via its letter dated March 13, 2008, approved the exemption for Khazanah, under Practice Note 2.9.1 of the Code, from the obligation to carry out a mandatory take-over offer to acquire the remaining voting shares in our Company not held by Khazanah pursuant to the issuance of new Shares under the Acquisition, subject to the following conditions:

	Conditions	Status of compliance
(i)	Khazanah shall disclose to the SC its dealings in securities in our Company for a 12-month period from the date of the granting of the exemption; and	On-going compliance by Khazanah.
(ii)	CIMB/Khazanah shall inform the SC of the completion of the Acquisition.	To be complied with.

The SC has, via its letter dated April 10, 2008, approved the exemption for Khazanah, under Practice Note 2.9.7 of the Code, from the obligation to carry out a mandatory take-over offer to acquire the remaining voting shares in our Company not held by Khazanah pursuant to the Pre-Listing Restructuring.

The SC has, via its letter dated April 10, 2008, granted us waivers from having to comply with certain requirements under the Prospectus Guidelines on Public Offerings issued by the SC ("Prospectus Guidelines") as set out below:

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)
-	**Information on public offerings** Disclosure requirements under the Prospectus Guidelines in relation to a public offering.
Paragraph 8.08	**Information on subsidiaries and associated companies** Disclosure on the following (save for the 5 main operating subsidiaries): (a) registration number of the corporation, date of business and whether private or public; (b) history; (c) substantial shareholders; and (d) changes in issued and paid-up capital since the date of incorporation, including the date of allotment, number of shares allotted, consideration given and cumulative issued and paid-up capital, details of outstanding warrants, options, convertible securities and uncalled capital.

Paragraph under the Prospectus Guidelines for which waiver was sought	Details of the waiver granted and conditions (if applicable)
Paragraph 9.01	**Information on substantial shareholders** In respect of certain eventual substantial shareholders, the disclosure of the following information: (a) its directors, substantial shareholders and their shareholdings (both direct and indirect) in the corporation (before and after the public offering); and (b) directorships and substantial shareholdings in all other public corporations for the past 2 years.
Paragraph 11.03	In respect of certain eventual substantial shareholders, the disclosure of the details of directors' and substantial shareholders' direct and indirect interests in other businesses and corporations carrying on a similar trade as the corporation or any other corporation in the group.
Paragraph 12.01	**Other information concerning the corporation/group** Disclosure of information on land and buildings owned and leased by the corporation/group and instead to disclose in line with TM's previous annual reports.
Paragraph 12.02	Disclosure of the properties acquired during the past 2 years, the dates of the transactions and prices paid.
-	**Information on promoter** Disclosure of information in relation to promoters. **Condition:** CIMB/our Company is required to disclose in this document the absence of a promoter and the reasons. This is disclosed in the "Section 1 - Corporate directory".
Paragraph 11.01	**Related party transactions** Disclosure on all recurrent related party transactions and to disclose only the material transactions.

6. CAPITALISATION

The following table sets out our consolidated cash and cash equivalents, capitalisation and indebtedness as of December 31, 2007 on a proforma basis based on the audited consolidated balance sheets of our Company and Celcom Group as of December 31, 2007, as adjusted to give effect to the completion of the Pre-Listing Restructuring and Acquisition.

You should read this table in conjunction with "Section 8.1 - Proforma consolidated financial information", "Section 9 - Management's discussion and analysis of financial condition and results of operations", and our Company and Celcom Group's audited consolidated financial statements and related notes thereto.

	Proforma after adjustments for the Pre-Listing Restructuring and Acquisition as of December 31, 2007
	RM million
Cash and cash equivalents	1,831.8
Short term borrowings:	
- Secured	320.1
- Unsecured	1,613.2
Long term borrowings:	
- Secured	762.7
- Unsecured	3,497.8
Total borrowings	6,193.8
Amount owing to TM	4,025.0
Total borrowings and amount owing to TM	10,218.8
Total capital and reserves attributable to equity holders of TMI	11,356.4
Total capitalisation and indebtedness	21,575.2

Save for RM128.9 million secured, long term borrowings outstanding as at December 31, 2007, none of our borrowings are guaranteed.

7. DIVIDEND POLICY

Our Board intends to pay dividends of up to 30% of our profits after taxation attributable to shareholders excluding non-recurring items after considering a number of factors, including our level of cash and retained earnings (at company level), results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions and other factors considered relevant by our Board, including our expected financial performance. Our Board would also take into consideration that, given our strategy to explore regional growth opportunities, our capital requirements will also include funds required for the expansion of our international operations. It is the policy of our Board in recommending dividends to allow shareholders to participate in our profits, as well as to retain adequate reserves for our future growth.

Further, as our Company is a holding company, our income, and therefore our ability to pay dividends, is dependent upon the dividends we receive from our subsidiaries. The payment of dividends by our subsidiaries will depend upon their distributable profits, operating results, financial condition, capital expenditure plans and other factors that their respective boards of directors deem relevant. See "Section 4.4.4 - As a holding company, we rely on the ability of our operating companies to generate earnings and pay dividends to us, and any decline in the earnings of our operating companies or their ability to pay dividends to us would materially and adversely affect our performance and operational flexibility".

Dividends must be paid out of profits or pursuant to Section 60 of the Companies Act. All dividends that are paid shall be paid pro rata to the shareholders in accordance with the amount paid-up on each shareholder's shares, unless the rights attaching to an issue of any share provides otherwise.

Nonetheless, future dividends may be waived if, amongst other things:

(i) our Group is in a loss-making position for the relevant financial year/period; or

(ii) our Group has insufficient cash flows to meet any dividend payment.

You should note that all the foregoing statements are merely statements of our present intention and do not constitute legally binding statements in respect of our future dividends which are subject to modification (including reduction or non-declaration thereof) at our Board's sole and absolute discretion.

No inference should or can be made from any of the foregoing statements as to our actual future profitability or our ability to pay dividends in the future.

8. PROFORMA AND HISTORICAL FINANCIAL INFORMATION

8.1 PROFORMA CONSOLIDATED FINANCIAL INFORMATION

In order to assist your understanding of our results of operations and financial condition, we have prepared and presented, for illustrative purposes only, the following proforma consolidated financial information of our Group, illustrating the effects of the Pre-Listing Restructuring and Acquisition. See "Section 5 – Pre-Listing Restructuring and Acquisition".

We have prepared and presented the Post Restructuring Proforma consolidated income statements of our consolidated group resulting from the Pre-Listing Restructuring for the 3 fiscal years ended December 31, 2007 to illustrate the effects of the Pre-Listing Restructuring as if the Pre-Listing Restructuring had occurred on January 1, 2005 and on the assumption that our consolidated group resulting from the Pre-Listing Restructuring had been in existence throughout the years presented.

We have also prepared and presented the Post Acquisition Proforma consolidated income statements and the Post Acquisition Proforma consolidated cash flow statement of our Group for the year ended December 31, 2007 to illustrate the effects of the Pre-Listing Restructuring and Acquisition as if the Pre-Listing Restructuring and Acquisition had occurred on January 1, 2007, and on the assumption that the structure of our Group had been in existence throughout the year presented.

We have prepared and presented the proforma consolidated balance sheets of our Group as of December 31, 2007 to illustrate the effects of the Pre-Listing Restructuring and Acquisition as if the Pre-Listing Restructuring and Acquisition had occurred on December 31, 2007.

This proforma consolidated financial information has been derived from, and should be read in conjunction with, our proforma consolidated financial statements and the related notes included in "Section 17 – Reporting Accountants' letter on the proforma consolidated financial information". In preparing our proforma consolidated financial information, we have made a number of assumptions and adjustments. Consequently, such information is not necessarily indicative of the financial condition or results of operations that we would have realised if our Group had existed during all fiscal years presented, nor is it necessarily indicative of our future results of operations or financial condition. See "Section 4.1.22 – The proforma consolidated financial information included herein may not reflect actual results" and "Forward-looking statements".

The historical consolidated financial statements of TMI Group and Celcom Group are prepared in accordance with Malaysian GAAP, which differ in certain significant respects from generally accepted accounting principles in certain other countries. See also "Section 9.3 – Critical accounting policies".

8.1.1 Proforma consolidated income statements

(i) Post Restructuring Proforma consolidated income statements for the 3 fiscal years ended December 31, 2007

The following Post Restructuring Proforma consolidated income statements for the 3 fiscal years ended December 31, 2007 have been prepared on the assumption that the Pre-Listing Restructuring had occurred on January 1, 2005 and that our consolidated group resulting from the Pre-Listing Restructuring had been in existence throughout the years presented. The Post Restructuring Proforma consolidated income statements are qualified in their entirety by reference to and should be read in conjunction with the notes and the bases for the preparation of our Post Restructuring Proforma consolidated income statements included in "Section 17 – Reporting Accountants' letter on the proforma consolidated financial information".

	Post Restructuring Proforma after adjustments for the Pre-Listing Restructuring for the year ended December 31,		
	2005	2006	2007
	RM million	RM million	RM million
Operating revenue[1]	6,102.0	8,573.5	9,996.9
Operating cost:			
Depreciation, impairment and amortization	(1,152.9)	(1,588.8)	(1,827.8)
Provision for a claim	(879.5)[2]	-	-
Other operating costs	(3,523.6)	(4,719.3)	(6,004.9)
	(5,556.0)	(6,308.1)	(7,832.7)
Other operating income:			
Gain on dilution of a subsidiary company	98.3[3]	-	-
Gain on partial disposal of subsidiaries	160.7[3]	-	234.8[5]
Others	24.0	114.3	46.6
Operating profit before finance cost	829.0	2,379.7	2,445.6
Finance income	91.7	105.9	80.5
Finance cost	(340.5)	(493.1)	(722.4)
Net finance cost	(248.8)	(387.2)	(641.9)
Jointly-controlled entities:			
Share of results (net of taxation)	(3.7)	10.6	175.5
Gain on dilution of equity interest	-	-	71.3[6]
Associates:			
Share of results (net of taxation)	19.2	20.0	29.4
Gain on dilution of equity interest	82.7[4]	-	-
Gain on disposal	8.8	-	-
Profit before taxation	687.2	2,023.1	2,079.9
Taxation	(352.8)	(678.7)	(487.0)
Profit after taxation	334.4	1,344.4	1,592.9
Attributable to:			
Equity holders of our Company	261.6	1,150.1	1,527.2
Minority interests	72.8	194.3	65.7
Profit for the year	334.4	1,344.4	1,592.9
Number of Shares had our Group been in existence (million)*	3,577.4	3,577.4	3,577.4
Basic earnings per Share (sen)	7	32	43
Proforma adjusted EBITDA[7]	1,983.1	3,736.9	4,359.8

Notes:

* Based on the issued and paid-up share capital of 3,577.4 million Shares, which is based on the Record of Depositors and Register of Members of TM as of March 17, 2008 and excludes the issuance of share capital arising from the Acquisition.

(1) In 2005, TMI Group acquired 56.9% equity interest in XL at various stages, resulting in XL becoming a subsidiary with effect from October 27, 2005. Revenue for the year ended December 31, 2005 includes RM293.6 million contributed by XL. Revenue contribution from XL for the years ended December 31, 2006 and December 31, 2007 were RM2,310.4 million and RM3,011.0 million, respectively.

(2) Provision for a claim represents satisfaction of an award granted by the International Court of Arbitration of the International Chamber of Commerce in favour of DeTeAsia Holding GmbH ("DeTeAsia") in connection with DeTeAsia's claim for breach of the Amended and Restated Supplemental Agreement dated April 4, 2002 between TRI, DeTeAsia, Celcom and TRIL. The provision for a claim includes arbitration, legal and interest costs.

(3) On July 28, 2005, Dialog (TMI's wholly-owned subsidiary held via TMIL) was listed on the Colombo Stock Exchange in Sri Lanka. Following the listing exercise, TMIL's equity interest in Dialog was reduced from 100% to 90.11%. The dilution and partial disposal of equity interest resulted in a total gain of RM259.0 million.

(4) On September 29, 2005, XL was listed on the Indonesia Stock Exchange (formerly known as Jakarta Stock Exchange). Upon completion of the initial public offering, TMIL's holding in XL was diluted from 27.3% to 25.0%. The initial exercise resulted in a gain on dilution of RM82.7 million.

(5) During the year ended December 31, 2007, TMI Group recorded a gain on the disposal of 4.62% equity interest in Dialog of RM234.8 million.

(6) On June 5, 2007, Spice (a 49%-owned jointly-controlled entity of TMI, held through its indirect wholly-owned subsidiary, TMI India) concluded a pre-initial public offering placement of 24,873,889 shares at INR45 per share. On completion of the pre-initial public offering placement, TMI's equity interest in Spice was reduced from 49.0% to 46.89%. On July 19, 2007, Spice commenced trading on the Bombay Stock Exchange with a debut price of INR55.75 per share. Pursuant to the initial public offering, 113,111,111 equity shares were issued at INR46 per share. Consequently, TMI's shareholding was further diluted from 46.89% to 39.2%. TMI Group has consequently recorded a gain on dilution of equity interest of RM71.3 million.

(7) Proforma adjusted EBITDA is not a uniformly or legally defined financial measure. We define proforma adjusted EBITDA as net profit/(loss) before taxation, interest expense/(income) and other finance cost, depreciation, impairment and amortisation, other expense/(income), share of results of associates and jointly-controlled entities and foreign exchange gain/(loss). Proforma adjusted EBITDA is presented because we believe it is a widely accepted financial indicator on an entity's ability to incur and service debt. You should not consider the proforma adjusted EBITDA as an alternative to net income or income from operations, or as an indicator of our operating performance or other combined operations or cash flow data prepared in accordance with generally accepted accounting principles, or an alternative to cash flows as a measure of liquidity or any measures of performance derived in accordance with Malaysian GAAP. The computation of proforma adjusted EBITDA in this document may differ from similarly titled computations of other companies. Proforma adjusted EBITDA is not a measure of financial performance under Malaysian GAAP and should not be considered as an alternative to net cash provided by operating activities or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any measures of performance derived in accordance with Malaysian GAAP.

The following table reconciles our definition of proforma adjusted EBITDA to our profit after taxation for the financial years indicated:

	Post Restructuring Proforma after adjustments for the Pre-Listing Restructuring for the year ended December 31,		
	2005	2006	2007
	RM million	RM million	RM million
Profit after taxation	334.4	1,344.4	1,592.9
plus:			
Tax expense	352.8	678.7	487.0
Depreciation, impairment and amortisation	1,152.9	1,588.8	1,827.8
less:			
Interest income	(91.7)	(105.9)	(80.5)
plus:			
Interest expense and other finance costs	340.5	493.1	722.4
Share of results of jointly-controlled entities and associates	(107.0)	(30.6)	(276.2)
Other income	(24.0)	(114.3)	(46.6)
Foreign exchange loss/(gain)	25.2	(117.3)	133.0
Proforma adjusted EBITDA	1,983.1	3,736.9	4,359.8

There were no exceptional and extraordinary items during the years under review.

(ii) Proforma consolidated financial information illustrating effects of the Pre-Listing Restructuring and Acquisition

The following Post Acquisition Proforma consolidated income statement for the year ended December 31, 2007 has been prepared on the assumption that the Pre-Listing Restructuring and the Acquisition had occurred on January 1, 2007 and that our Group had been in existence throughout the year presented. The Post Acquisition Proforma consolidated income statement is qualified in its entirety by reference to and should be read in conjunction with the notes and the bases for the preparation of our proforma consolidated income statement included in "Section 17 – Reporting Accountants' letter on the proforma consolidated financial information" and TMI Group's audited consolidated financial statements and the related notes thereto for the year ended December 31, 2007.

	Post Acquisition Proforma after adjustment for Pre-Listing Restructuring and Acquisition for the year ended December 31, 2007		
	TMI Group Historical*	**After Pre-Listing Restructuring**	**After Pre-Listing Restructuring and Acquisition**
	RM million	**RM million**	**RM million**
Operating revenue	4,953.9	9,996.9	9,996.9
Operating cost:			
Depreciation, impairment and amortisation	(928.6)	(1,827.8)	(1,827.8)
Other operating costs	(3,201.8)	(6,004.9)	(6,007.2)
	(4,130.4)	(7,832.7)	(7,835.0)
Other operating income:			
Gain on partial disposal of a subsidiary	234.8	234.8	234.8
Others	17.3	46.6	48.4
Operating profit before finance cost	1,075.6	2,445.6	2,445.1
Finance income	33.4	80.5	87.1
Finance cost	(455.8)	(722.4)	(761.9)
Net finance cost	(422.4)	(641.9)	(674.8)
Jointly-controlled entities:			
Share of results (net of taxation)	133.3	175.5	133.3
Gain on dilution of equity interest	71.3	71.3	71.3
Associates:			
Share of results (net of taxation)	24.2	29.4	145.7
Profit before taxation	882.0	2,079.9	2,120.6
Taxation	(134.4)	(487.0)	(487.0)
Profit after taxation	747.6	1,592.9	1,633.6
Attributable to:			
Equity holders of our Company	683.5	1,527.2	1,588.0
Minority interests	64.1	65.7	45.6
Profit for the year	747.6	1,592.9	1,633.6
Number of Shares had our Group been in existence (million)	35.7	3,577.4**	3,753.4
Basic earnings per share (sen)	1,915	43	42
Proforma adjusted EBITDA(1)	2,122.5	4,359.8	4,357.5

Notes:

* Derived from the audited consolidated financial statements of TMI Group included in "Section 8.2 - Historical consolidated financial information of TMI Group".

** Based on the issued and paid-up share capital of 3,577.4 million Shares, which is based on the Record of Depositors and Register of Members of TM as of March 17, 2008 and excludes the issuance of share capital arising from the Acquisition.

(1) Proforma adjusted EBITDA is not a uniformly or legally defined financial measure. We define proforma adjusted EBITDA as net profit/(loss) before taxation, interest expense/(income) and other finance cost, depreciation, impairment and amortisation, other expense/(income), share of results of associates and jointly-controlled entities and foreign exchange gain/(loss). Proforma adjusted EBITDA is presented because we believe it is a widely accepted financial indicator on an entity's ability to incur and service debt. You should not consider the proforma adjusted EBITDA as an alternative to net income or income from operations, or as an indicator of our operating performance or other combined operations or cash flow data prepared in accordance with generally accepted accounting principles, or an alternative to cash flows as a measure of liquidity or any measures of performance derived in accordance with Malaysian GAAP. The computation of proforma adjusted EBITDA herein may differ from similarly titled computations of other companies. Proforma adjusted EBITDA is not a measure of financial performance under Malaysian GAAP and should not be considered as an alternative to net cash provided by operating activities or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any measures of performance derived in accordance with Malaysian GAAP.

The following table reconciles our definition of proforma adjusted EBITDA to our profit after taxation for the financial years indicated:

	Post Acquisition Proforma after adjustment for Pre-Listing Restructuring and Acquisition for the year ended December 31, 2007		
	TMI Group Historical*	**After Pre-Listing Restructuring**	**After Pre-Listing Restructuring and Acquisition**
	RM million	**RM million**	**RM million**
Profit after taxation	747.6	1,592.9	1,633.6
plus:			
Tax expense	134.4	487.0	487.0
Depreciation, impairment and amortisation	928.6	1,827.8	1,827.8
less:			
Interest income	(33.4)	(80.5)	(87.1)
plus:			
Interest expense and other finance costs	455.8	722.4	761.9
Share of results of jointly-controlled entities and associates	(228.8)	(276.2)	(350.3)
Other income	(14.7)	(46.6)	(48.4)
Foreign exchange loss/(gain)	133.0	133.0	133.0
Proforma adjusted EBITDA	2,122.5	4,359.8	4,357.5

* Derived from the audited consolidated financial statements of TMI Group included in "Section 8.2 - Historical consolidated financial information of TMI Group".

There were no exceptional and extraordinary items during the year under review.

8.1.2 Proforma consolidated balance sheets as of December 31, 2007 illustrating the effect of the Pre-Listing Restructuring and Acquisition

Our proforma consolidated balance sheets as of December 31, 2007 set out below have been prepared on the assumption that the Pre-Listing Restructuring and Acquisition had occurred on December 31, 2007. The proforma consolidated balance sheets are qualified in their entirety by reference to and should be read in conjunction with the notes and the bases for the preparation of our proforma consolidated balance sheets included in "Section 17 – Reporting Accountants' letter on the proforma consolidated financial information" and TMI Group's audited consolidated financial statements and the related notes thereto for the year ended December 31, 2007.

	Proforma after adjustments for the Pre-Listing Restructuring and Acquisition as of December 31, 2007		
	TMI Group Historical[a]	After the Pre-Listing Restructuring[1]	After the Pre-Listing Restructuring and Acquisition[2]
	RM million	RM million	RM million
NON-CURRENT ASSETS			
Intangible assets	3,387.2	7,458.6	8,689.7
Property, plant and equipment	8,398.8	12,159.8	12,159.8
Investment property	-	2.0	2.0
Prepaid lease payments	297.0	321.9	321.9
Jointly-controlled entities	877.5	1,024.4	877.5
Associates	245.7	251.1	1,549.1
Long term receivables	0.4	0.4	0.4
Deferred tax assets	162.9	162.9	162.9
	13,369.5	21,381.1	23,763.3
CURRENT ASSETS			
Inventories	59.3	74.6	74.6
Trade and other receivables	698.9	1,006.9	1,007.0
Amount due from TM	5.9	-	-
Amount due from related companies	9.9	-	-
Short term investments	-	1.7	1.7
Tax recoverable	0.4	100.8	100.8
Cash and bank balances	679.7	1,998.9	2,106.4
	1,454.1	3,182.9	3,290.5
CURRENT LIABILITIES			
Trade and other payables	1,981.1	3,924.1	3,927.1
Borrowings	1,709.7	1,933.3	1,933.3
Amount owing to TM	-	4,025.0	4,025.0
Amount owing to related companies	2.2	-	-
Current tax liabilities	21.9	99.8	99.8
	3,714.9	9,982.2	9,985.2
Net current liabilities	(2,260.8)	(6,799.3)	(6,694.7)
	11,108.7	14,581.8	17,068.6
FINANCED BY			
Share capital	35.7	3,577.4	3,753.4
Share premium	58.3	318.1	1,722.1
Other reserves	3,682.4	5,880.9	5,880.9
Total capital and reserves attributable to equity holders of our Company	3,776.4	9,776.4	11,356.4
Minority interests	671.0	676.5	482.6
TOTAL EQUITY	4,447.4	10,452.9	11,839.0

	Proforma after adjustments for the Pre-Listing Restructuring and Acquisition as of December 31, 2007		
	TMI Group Historical[a]	After the Pre-Listing Restructuring[1]	After the Pre-Listing Restructuring and Acquisition[2]
	RM million	RM million	RM million
DEFERRED AND LONG TERM LIABILITIES			
Borrowings	3,159.8	3,159.8	4,260.5
Amount owing to TM	3,066.9	-	-
Deferred tax liabilities	428.3	881.9	881.9
Provision for liabilities	6.3	87.2	87.2
Deferred and long term liabilities	6,661.3	4,128.9	5,229.6
	11,108.7	14,581.8	17,068.6
Number of our Shares assumed to be in issue (million)	35.7	3,577.4[b]	3,753.4
Net assets attributable to equity holders	3,776.4	9,776.4	11,356.4
Net tangible assets attributable to equity holders	389.2	2,317.8	2,666.7
Net assets per ordinary share of RM1.00 each (RM)	105.78	2.73	3.03
Net tangible assets per ordinary share of RM1.00 each (RM)	10.90	0.65	0.71
Gearing ratio (times)	1.29[c]	0.93[d]	0.90[d]

Notes:

(a) Derived from the audited consolidated financial statements of TMI Group included in "Section 8.2 - Historical consolidated financial information of TMI Group".

(b) Based on the issued and paid-up share capital of 3,577.4 million Shares, which is based on the Record of Depositors and Register of Members of TM as of March 17, 2008 and excludes the issuance of share capital arising from the Acquisition.

(c) The gearing ratio has been computed as a ratio of short term and long term borrowings to total capital and reserves attributable to equity holders of our Company.

(d) The gearing ratio has been computed as a ratio of short term and long term borrowings and amount owing to TM, to total capital and reserves attributable to equity holders of our Company.

The following adjustments have been made in arriving at the proforma consolidated balance sheets as of December 31, 2007 presented above:

(1) Adjustments have been made to reflect the effects of the Pre-Listing Restructuring on the assumption that the Pre-Listing Restructuring had occurred on December 31, 2007.

(2) Adjustments have been made to reflect the effects of the Pre-Listing Restructuring on the assumption that the Pre-Listing Restructuring had occurred on December 31, 2007 as shown in note 1 and the effects of the Acquisition through the issuance of 176.0 million new Shares at an issue price of RM8.98 per Share as if the Acquisition had occurred on December 31, 2007. Upon the completion of the Pre-Listing Restructuring and Acquisition, our Company will hold 100% of the issued and paid-up capital of SunShare and increase our effective stake in XL from 67.0% to 83.8%. Prior to the Acquisition, SunShare was a jointly-controlled entity of our Company, TM and Khazanah. Upon the completion of the Pre-Listing Restructuring and Acquisition, SunShare will be a subsidiary of our Company and will consolidated into our Group. With respect to the issuance of Shares under the Acquisition, the issue prices of new Shares used may not be measured at fair value. Instead the issue price used in the proforma illustration was based on the transaction price as detailed in the sale and purchase agreement for the Acquisition. The issuance of Shares has to be measured at fair value in exchange for the SunShare RCPS, SunShare Shares and XL Shares received at the date of the issuance.

Under the Acquisition, our Group's eventual cost of acquisition of the SunShare RCPS, SunShare Shares and XL Shares will be recorded based on the fair value of our Shares, which may not be reflective of the purchase consideration. This in turn may have significant effect on recording of the corresponding goodwill, share premium and assets and liabilities acquired.

8.1.3 Post Acquisition Proforma consolidated cash flow statement for the year ended December 31, 2007

The following Post Acquisition Proforma consolidated cash flow statement for the year ended December 31, 2007 has been prepared on the assumption that the Pre-Listing Restructuring and the Acquisition had occurred on January 1, 2007 and that the structure of our Group had been in existence throughout the year presented. The Post Acquisition Proforma consolidated income statement is qualified in its entirety by reference to and should be read in conjunction with the notes and the bases for the preparation of our proforma consolidated cash flow included in "Section 17 – Reporting Accountants' letter on proforma financial information" and TMI Group's audited consolidated financial statements and the related notes thereto for the year ended December 31, 2007.

	Post Acquisition Proforma after adjustments for the Pre-Listing Restructuring and Acquisition for the year ended December 31, 2007		
	TMI Group Historical*	**After Pre-Listing Restructuring**	**After Pre-Listing Restructuring and Acquisition**
	RM million	**RM million**	**RM million**
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	4,862.1	9,637.8	9,637.8
Payments to suppliers and employees	(2,253.8)	(4,546.5)	(4,549.1)
Payment of finance cost:			
Finance cost from First Amount Owing	-	(172.6)	(172.6)
Finance cost from Second Amount Owing	-	(73.9)	(73.9)
Other finance cost	(411.0)	(454.5)	(495.9)
	(411.0)	(701.0)	(742.4)
Payment of income taxes (net of taxation refunds)	(10.6)	(463.6)	(463.6)
Total cash flows from operating activities	2,186.7	3,926.7	3,882.7
CASH FLOWS USED IN INVESTING ACTIVITIES			
Disposal of property, plant and equipment	4.0	13.7	13.7
Purchase of property, plant and equipment	(4,266.5)	(4,984.7)	(4,984.7)
Payment for dismantling cost	-	(0.9)	(0.9)
Payment of intangible asset (telecommunication and spectrum license)	(0.6)	(0.6)	(0.6)
Additional investment in subsidiaries:			
XL	(384.1)	(384.1)	(384.1)
Others	(10.0)	(10.0)	(10.0)
	(394.1)	(394.1)	(394.1)
Capital repayment from an associate	-	-	27.8
Disposal of shares in an associate	-	-	149.3
Partial disposal of subsidiaries:			
Dialog	278.4	278.4	278.4
Others	2.0	2.0	2.0
	280.4	280.4	280.4
Acquisition of an associate	-	(2.4)	(2.4)
Interest received	33.4	81.7	89.6
Dividend received	-	71.3	65.6
Total cash flows used in investing activities	(4,343.4)	(4,935.6)	(4,756.3)

	Post Acquisition Proforma after adjustments for the Pre-Listing Restructuring and Acquisition for the year ended December 31, 2007		
	TMI Group Historical*	After Pre-Listing Restructuring	After Pre-Listing Restructuring and Acquisition
	RM million	RM million	RM million
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of share capital to minority interests	76.0	76.0	76.0
Proceeds from borrowings	2,602.2	2,602.2	2,602.2
Repayment of borrowings	(846.3)	(1,360.1)	(1,497.0)
Repayment of equipment supplied	-	(6.9)	(6.9)
Dividends paid to minority interests	(27.7)	(27.7)	(27.7)
Net advance from TM	465.5	-	-
Total cash flows from financing activities	2,269.7	1,283.5	1,146.6
Net increase in cash and cash equivalents	113.0	274.6	273.0
Effect of exchange rate changes	(39.3)	(39.3)	(40.4)
Cash and cash equivalents at beginning of the financial year	527.8	1,728.1	1,728.1
Add: Net cash advances received from TM(1(a))	-	465.5	465.5
Add: Net cash acquired from SunShare(1(b))	-	-	175.8
Less: Celcom capital repayment(1(c))	-	(730.1)	(730.1)
Less: Payment for 3G Spectrum Assignment(1(d))	-	(40.1)	(40.1)
Cash and cash equivalents at beginning of the financial year after adjustments	527.8	1,423.4	1,599.2
Cash and cash equivalents at end of the financial year	601.5	1,658.7	1,831.8

Notes:

* Derived from the audited consolidated financial statements of TMI Group included elsewhere in this document.

(1) In addition to the cash flow effects of the proforma adjustments, the proforma consolidated cash flow statements for the year ended December 31, 2007 have been adjusted to effect the following on the basis that these transactions were effected prior to January 1, 2007.

(a) Net cash advances received from TM for the year ended December 31, 2007 amounting to RM465.5 million;

(b) Net cash acquired from SunShare as at January 1, 2007 amounting to RM175.8 million;

(c) Capital repayment by Celcom to TM during the year ended December 31, 2007 of RM730.1 million; and

(d) Cash consideration for the transfer of the 3G Spectrum Assignment to Celcom by TM under the Pre-Listing Restructuring of RM40.1 million.

8.2 HISTORICAL CONSOLIDATED FINANCIAL INFORMATION OF TMI GROUP

The following historical financial information as of and for the 3 fiscal years ended December 31, 2007 has been derived from the audited consolidated financial statements of TMI Group. The historical financial information is qualified in its entirety by reference to, and should be read in conjunction with TMI Group's audited consolidated financial statements and related notes thereto for the 3 fiscal years ended December 31, 2007.

You should read the following historical consolidated financial information in conjunction with TMI Group's audited consolidated financial statements and the related notes, the Accountants' Report and "Section 9 – Management's discussion and analysis of financial condition and results of operations".

8.2.1 Consolidated income statements of TMI Group

	For the year ended December 31,		
	2005	**2006**	**2007**
	RM million	**RM million**	**RM million**
Operating revenue	1,606.4	4,050.3	4,953.9
Operating cost:			
Depreciation, impairment and amortisation	(231.3)	(820.3)	(928.6)
Other operating costs	(934.2)	(2,080.1)	(3,201.8)
	(1,165.5)	(2,900.4)	(4,130.4)
Other operating income	263.0	103.3	252.1
Operating profit before finance cost	703.9	1,253.2	1,075.6
Finance income	31.3	50.2	33.4
Finance cost	(29.9)	(202.0)	(455.8)
Net finance income/(cost)	1.4	(151.8)	(422.4)
Jointly-controlled entities:			
Share of results (net of taxation)	-	(27.4)	133.3
Gain on dilution of equity interest	-	-	71.3
Associates:			
Share of results (net of taxation)	18.3	28.5	24.2
Gain on dilution/disposal	84.5	-	-
Profit before taxation	808.1	1,102.5	882.0
Taxation	(99.5)	(281.7)	(134.4)
Profit after taxation	708.6	820.8	747.6
Attributable to:			
Equity holders of our Company	636.3	629.3	683.5
Minority interests	72.3	191.5	64.1
Profit for the year	708.6	820.8	747.6
Basic earnings per share (sen)	1,783	1,763	1,915
Adjusted EBITDA(1)	956.4	1,942.7	2,122.5

Notes:

(1) Adjusted EBITDA is not a uniformly or legally defined financial measure. We define adjusted EBITDA as net profit/(loss) before taxation, interest expense/(income) and other finance cost, depreciation, impairment and amortisation, other expense/(income), share of results of associates and jointly-controlled entities and foreign exchange gain/(loss). Adjusted EBITDA is presented because we believe it is a widely accepted financial indicator on an entity's ability to incur and service debt. You should not consider the adjusted EBITDA as an alternative to net income or income from operations, or as an indicator of our operating performance or other combined operations or cash flow data prepared in accordance with generally accepted accounting principles, or an alternative to cash flows as a measure of liquidity or any measures of performance derived in accordance with Malaysian GAAP. The computation of adjusted EBITDA herein may differ from similarly titled computations of other companies. Adjusted EBITDA is not a measure of financial performance under Malaysian GAAP and should not be considered as an alternative to net cash provided by operating activities or as a measure of liquidity or an alternative to net income as indicators of our operating performance or any measures of performance derived in accordance with Malaysian GAAP.

The following table reconciles our definition of adjusted EBITDA to our profit after taxation for the financial years indicated:

	For the year ended December 31,		
	2005	2006	2007
	RM million	RM million	RM million
Profit after taxation	708.6	820.8	747.6
plus:			
Taxation	99.5	281.7	134.4
Depreciation, impairment and amortisation	231.3	820.3	928.6
less:			
Finance income	(31.3)	(50.2)	(33.4)
plus:			
Finance cost	29.9	202.0	455.8
Share of results of jointly-controlled entities and associates	(102.8)	(1.1)	(228.8)
Other income	(4.0)	(13.5)	(14.7)
Foreign exchange loss/(gain)	25.2	(117.3)	133.0
Adjusted EBITDA	956.4	1,942.7	2,122.5

(2) The following table presents the effect of accounting policy changes and reclassification that have not been presented within the above historical consolidated financial information. The effects of the change in accounting policy and reclassification on the above historical consolidated financial statements and on TMI Group's audited consolidated income statements as described in notes (3) and (4) below are as follows:

	As previously stated	Reclassification (See Note 4)	Effect of change in policy (See Note 3)	As restated
	RM million	RM million	RM million	RM million
Fiscal year ended December 31, 2005				
Depreciation, impairment and amortisation	(231.3)	(2.5)	4.4	(229.4)
Other operating costs	(934.2)	2.5	(4.4)	(936.1)
Fiscal year ended December 31, 2006				
Depreciation, impairment and amortisation	(820.3)	(3.6)	33.7	(790.2)
Other operating costs	(2,080.1)	3.6	(33.7)	(2,110.2)

(3) With the adoption in fiscal 2007 of FRS 117, "Leases", with effect from fiscal 2007, an adjustment of the fiscal 2005 and 2006 financial data was necessary. Prior to January 1, 2007, lease of land and buildings held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment loss. FRS 117 requires that lease of land and buildings are classified as operating or finance leases in the same way as leases of other assets. The land and building elements of a lease of land and buildings are considered separately for the purposes of lease classification. Consequent to the change in accounting policies arising from the adoption of FRS 117, the TMI Group had reclassified upfront payments of leasehold land as prepaid lease payments. These payments are amortised on a straight-line basis over the remaining lease period.

(4) In fiscal 2007, the TMI Group had reviewed and changed the presentation of write-offs and impairment of property, plant and equipment for the fiscal years 2005 and 2006. These expenditure items which were previously included in other operating costs are now presented with depreciation of property, plant and equipment, impairment of property, plant and equipment and amortisation of intangible assets to conform to current year presentation and better reflect the nature of expenses.

8.2.2 Consolidated balance sheets of TMI Group

	As of December 31,		
	2005	2006	2007
	RM million	RM million	RM million
NON-CURRENT ASSETS			
Intangible assets	2,797.5	3,165.1	3,387.2
Property, plant and equipment	4,361.3	6,456.2	8,398.8
Prepaid lease payments	-	-	297.0
Jointly-controlled entities	-	632.2	877.5
Associates	50.1	222.3	245.7
Long term receivables	0.3	0.3	0.4
Long term investments	31.8	-	-
Deferred tax assets	216.2	188.6	162.9
	7,457.2	10,664.7	13,369.5
CURRENT ASSETS			
Inventories	35.3	43.4	59.3
Trade and other receivables	470.6	625.0	698.9
Amount due from holding company	1,622.1	2.9	5.9
Amount due from related companies	7.2	6.2	9.9
Tax recoverable	-	-	0.4
Cash and bank balances	933.7	539.5	679.7
	3,068.9	1,217.0	1,454.1
CURRENT LIABILITIES			
Trade and other payables	1,056.7	1,548.1	1,981.1
Borrowings	748.0	500.6	1,709.7
Amount due to holding company	13.5	-	-
Amount due to related companies	-	-	2.2
Current tax liabilities	10.3	21.0	21.9
	1,828.5	2,069.7	3,714.9
Net current assets/(liabilities)	1,240.4	(852.7)	(2,260.8)
	8,697.6	9,812.0	11,108.7
FINANCED BY			
Share capital	35.7	35.7	35.7
Share premium	58.3	58.3	58.3
Other reserves	2,527.8	3,128.8	3,682.4
Total capital and reserves attributable to equity holders of our Company	2,621.8	3,222.8	3,776.4
Minority interests	598.7	703.9	671.0
TOTAL EQUITY	3,220.5	3,926.7	4,447.4
LONG TERM LIABILITIES			
Borrowings	1,889.8	2,925.5	3,159.8
Amount due to holding company	3,441.6	2,598.3	3,066.9
Provision for liabilities	-	-	6.3
Deferred tax liabilities	145.7	361.5	428.3
Deferred and long term liabilities	5,477.1	5,885.3	6,661.3
Shareholders' equity and non-current liabilities	8,697.6	9,812.0	11,108.7