

A cluster of colorful triangles in various sizes and colors (green, orange, purple, yellow, blue, pink) scattered in the top left corner.

# Axiata Group

# Shaping The Future

22<sup>nd</sup> Annual General Meeting  
Sime Darby Convention Centre

28 May 2014

*Dato' Sri Jamaludin Ibrahim*  
*Managing Director / President & Group Chief Executive Officer*





- ✓ **2013 – 2014: Period of Investment**
- ✓ **Delivering Short Term Results Amidst Challenges**
- ✓ **Building a Regional Champion**
- ✓ **Shaping the Future – Building a New Generation “Telco”**



# ADVANCING ASIA

Revenue

**RM 18.4 Billion**

No 7 on the KLCI\*

PATAMI

**RM 2.6 Billion**

No 8 on the KLCI\*

Market Cap

**RM 58.9 Billion**

No 4 on the KLCI\*

Subscribers

**> 240 Million**

No 2 Regional Telco\*

Employees

**23,000**

Countries

**9**

**multinet**

Pakistan

**Idea**

India

**Dialog**

Sri Lanka

**robi**

Bangladesh

**i-mobile**  
by SMART

Thailand

**xl**

Indonesia

**m1**

Singapore

**celcom**

Malaysia

**Smart**

Cambodia

**e-co**  
enabling connectivity





**2013-2014**  
**Period of investment**  
**Still Delivering Strong Results**

# FY 2013 (GROUP) : A Year Of Investment...

Investment in Spectrum, M&A, Network , IT and New Businesses/Processes



## Spectrum

Invested More Than

**USD 2 billion**

On New Spectrum  
in  
**Sri Lanka,  
Bangladesh and  
India**

## M & A



Acquired PT Axis  
Telekom In Indonesia at  
the enterprise value of  
**USD 865 million**



In Sri Lanka for  
**USD 6.1 million**

## IT & Network

### Network Modernization

For Data Optimisation in  
Celcom, XL and Dialog

### Revamped IT Infrastructure.

New Business Support System  
in Celcom

### 4G Network

M1 - First Operator to offer nation-wide  
4G services in Singapore  
Roll Out of 4G Networks by Celcom &  
Dialog

### Multiple Projects

LCN/RCN/  
Network Collaboration with Digi  
(Malaysia) Indosat (Indonesia)

## New Business/ Processes

Set up infrastructure company,  
**edotco Group**

**Axiata Digital  
Services**  
Launching 15 New Digital  
Ventures

**Partnerships**

SK planet ↔ agoda.com ↔ Dialog

Restructured  
**Procurement** And  
**Treasury** Operations



## **FY 2013 (GROUP) : .....With Challenges**

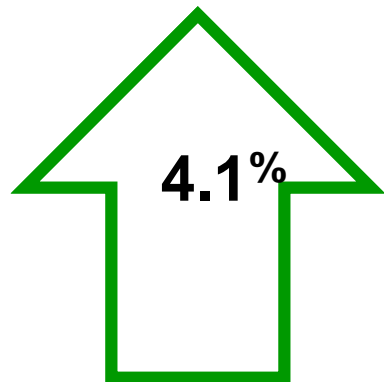
Increasing Competitive Intensity, Voice & SMS Substitution In Malaysia & Indonesia, and Data Pricing / Profitability Remain Key Issues



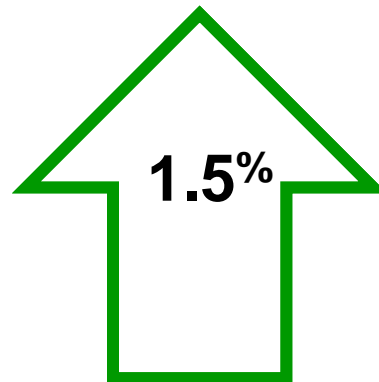
- **Aggressive competition in Indonesia has impacted profitability**
- **SMS revenue continues to be under pressure in Malaysia & Indonesia due to intense competition from internet players (OTT)**
- **Business disruption in Bangladesh due to political demonstrations**
- **Increased in SMS termination charges in Indonesia**
- **Currency volatility in operating footprint, especially in Indonesia**

# FY 2013 (GROUP) : ..... Still Delivering Short-Term Performance

Healthy Growth in Revenue, PATAMI, Market Cap and TSR



Revenue



PATAMI



Market  
Cap



Total  
Shareholder  
Return\*

Note

\* Source: Bloomberg

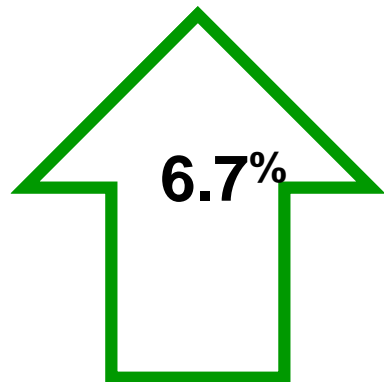
- Reported financial figures as per 2013 annual report, page 30.
- Market Cap as per Bloomberg on 31/12/13.

# FY 2013 (GROUP) : ..... Still Delivering Short-Term Performance

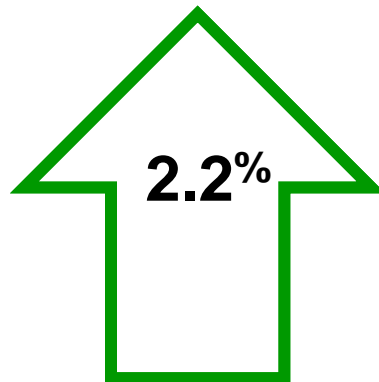


Healthy Growth in Revenue, PATAMI, Market Cap and TSR  
at Constant Currency

## At Constant Currency



Revenue



PATAMI



Market  
Cap



Total  
Shareholder  
Return\*

Note

\* Source: Bloomberg

• Reported financial figures as per 2013 annual report, page 30.

• Market Cap as per Bloomberg on 31/12/13.



# FY 2013 (GROUP) : ..... and Meeting Most KPI's

Exceeded KPIs at Constant Currency Except for Revenue



	FY2013	FY2013 Constant Currency	FY2013 Headline KPIs	
Revenue growth	4.1%	6.7%	7.6%	
EBITDA growth	-2.1%	0.6%	0.2%	
ROIC (%)	10.7%	10.7%	10.3%	
ROCE (%)	8.6%	8.6%	8.3%	



**FY 2013 (GROUP) : ...With a Healthy Cash Balance & Balance Sheet**  
Group Cash Balances Of RM6.4 Billion, Even After Paying RM1.9 Billion  
Dividend in 2013; Debt Profile Remains Healthy



Cash & Bank Balance  
**RM6.4bn**

Free Cash Flow  
**RM3.3bn**

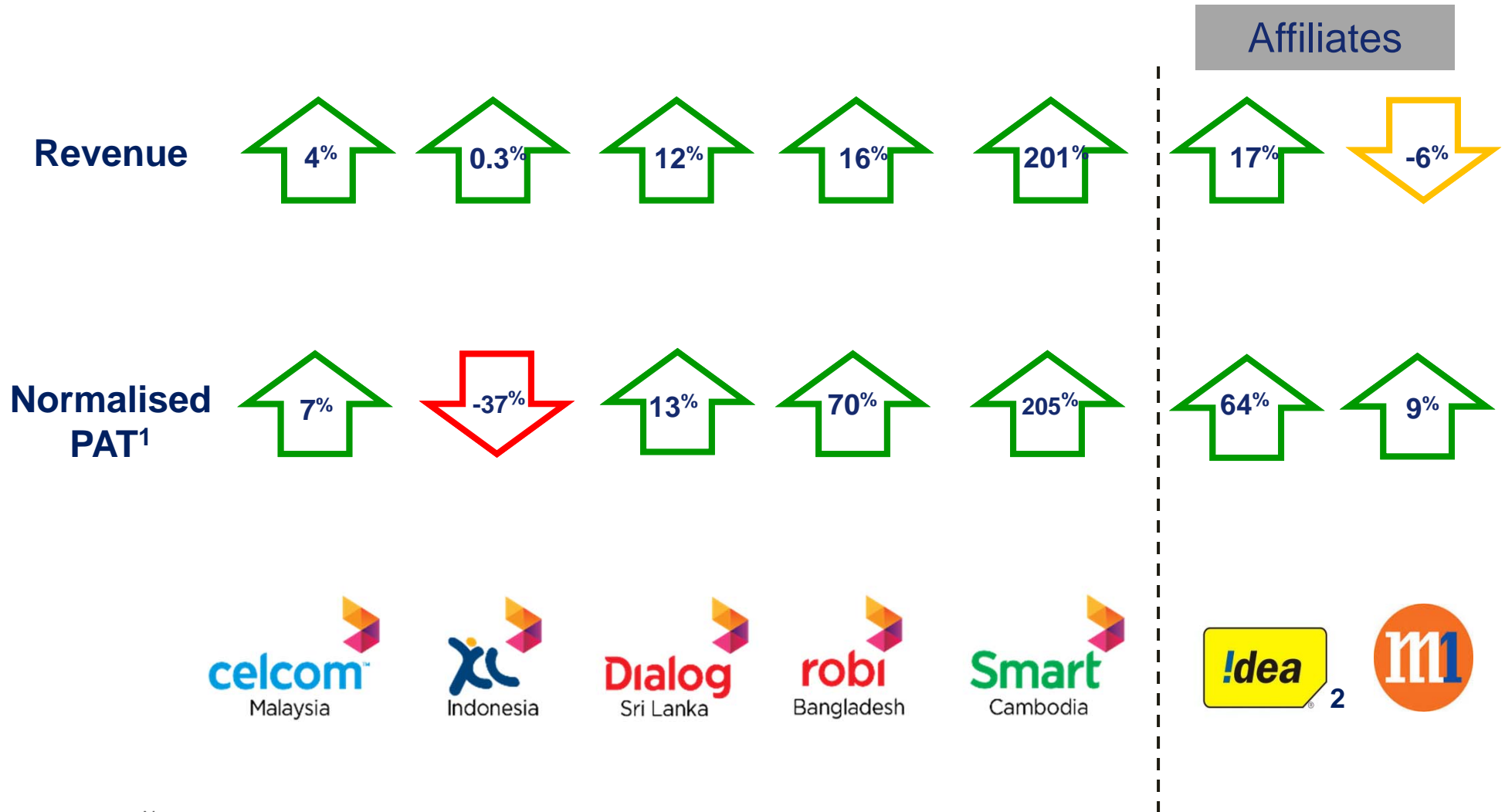
Net Debt to EBITDA  
**1.0x**

Axiata Group's credit rating remained unchanged at **Baa2**  
from Moody's and **BBB+** from Standard & Poor.



# FY2013 (OPCO) : ... All Round Growth FY13 vs. FY12

All, Except One OpCo, Performed Well; With 4 Performing Extremely Well



Note:

All numbers are based on respective OpCos/Affiliates local currencies

1. Celcom: PATAMI and OpCos/Affiliates: PAT. Except for Smart, Idea and M1 are all normalised results

2. Performance based on Jan-Dec 2013

# FY 2013 (GROUP) : ... and a Year With Significant Achievements

Strong Growth, Industry Recognitions and New Business Ventures



Asia Pacific's

**Best Telecoms Group**

Awarded by Frost & Sullivan



**The 5<sup>th</sup> Consecutive Year**

**Highest Profit ever**

in the industry



**Celcom Records Highest Profit in Malaysia Telecommunications Sector**

**Double-digit** revenue growth



**In Dialog, Robi and Idea**

**Triple-digit** Profit growth



**Smart and Robi Gain Exceptional Performance of Triple Digit Growth**

**Major Innovation Initiatives**



**15+ Digital Ventures Across The Group**

**New Services/Opportunity**



**A new Infrastructure set up: edotco Group, One Of The Largest Telecommunications Infrastructure Companies In SEA**



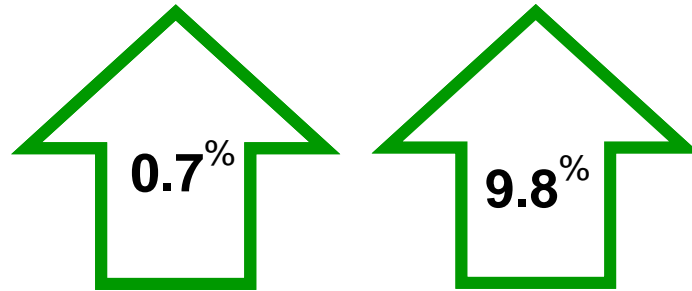


# FY 2014 Q1 (GROUP) : Growth Momentum Maintained

Group Strives Despite Seasonally Challenging Quarter



## YoY Performance

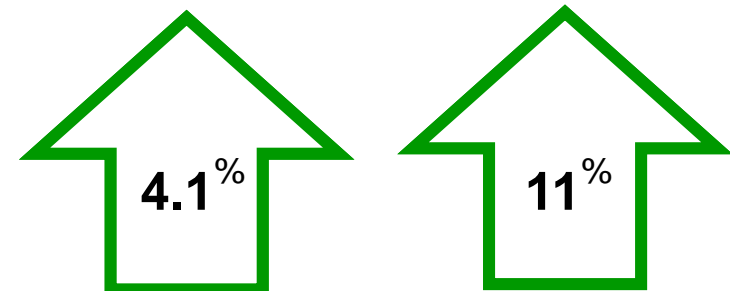


Revenue

PATAMI

## YoY Performance

(Constant Currency)



Revenue

PATAMI

Note

- Reported financial figures as per 2013 annual report, page 30.

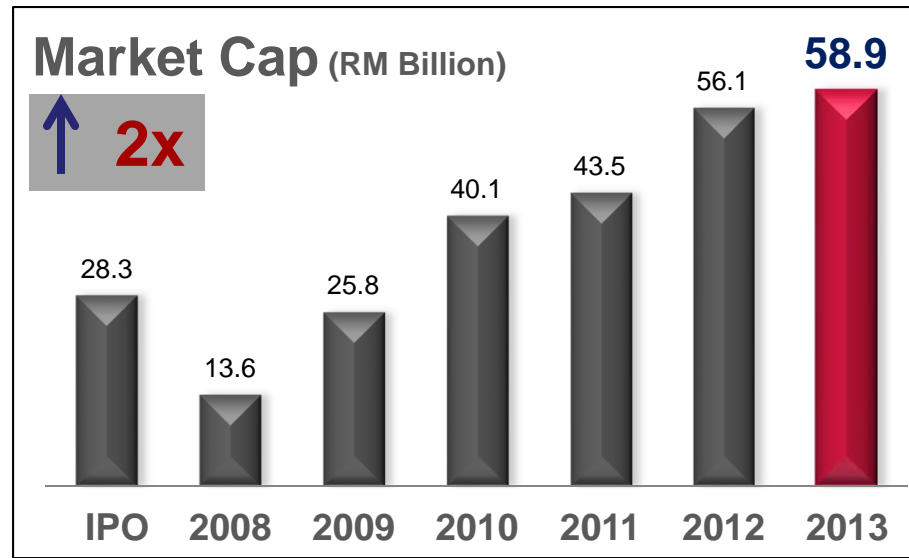
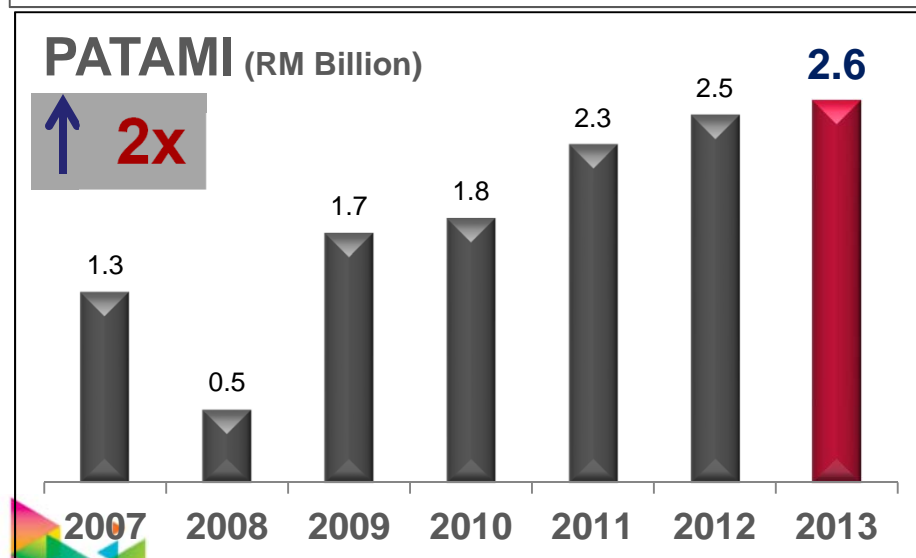
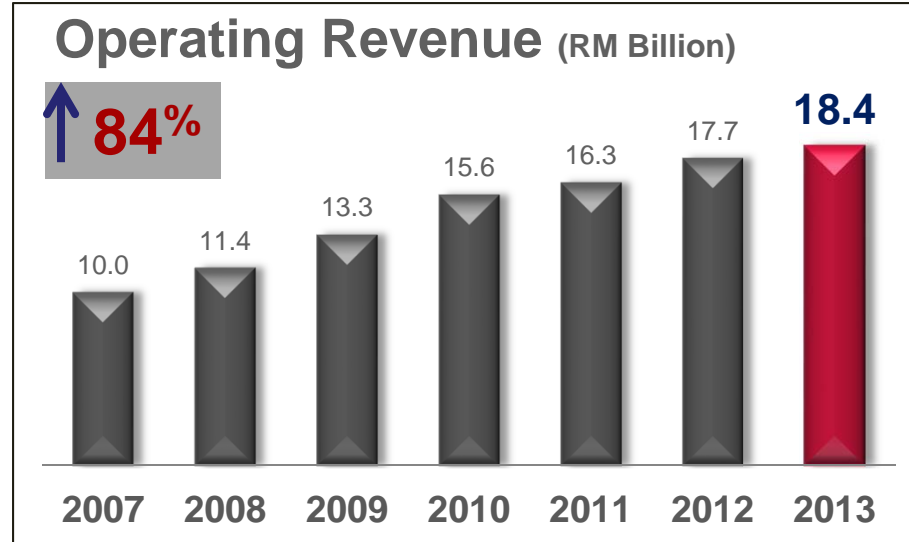
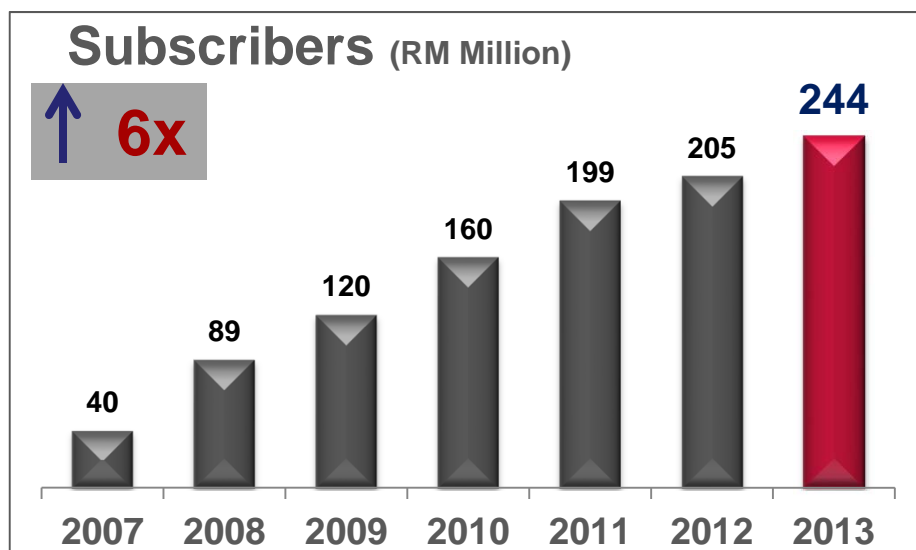


**2007 - 2013**

**Building a Regional Champion**

# FY 2007 - 2013 (GROUP) : Building a Regional Champion

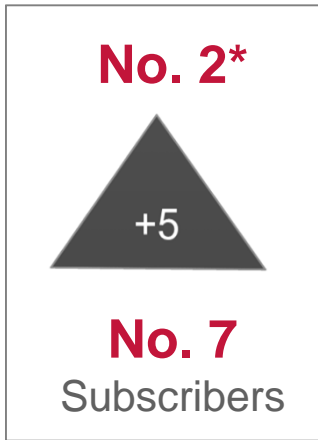
Significant Growth in Subscribers, Revenue, PATAMI and Market Cap



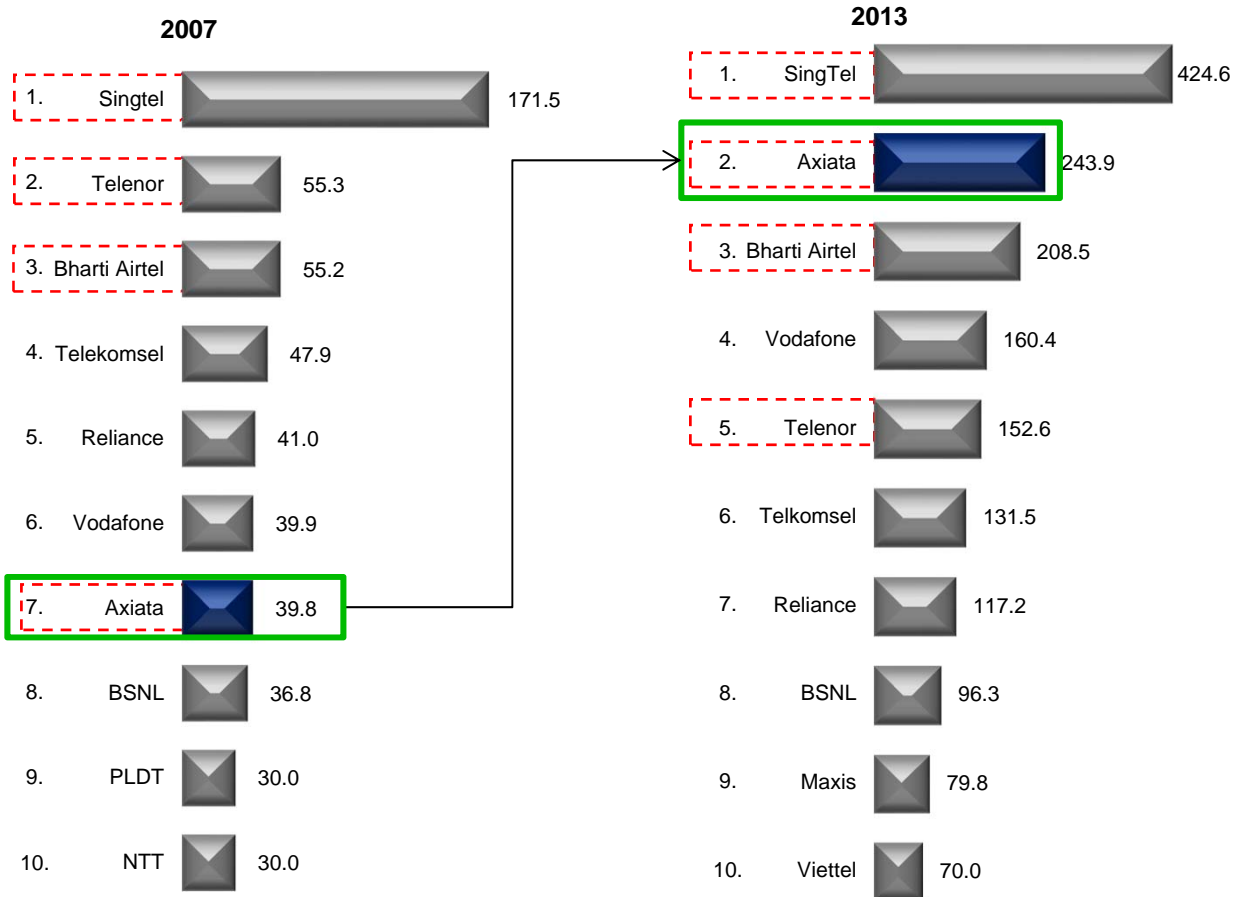
• 2007 PATAMI normalized for one-off asset sale gains

# FY 2007 – 2013 (GROUP) : Building a Regional Champion

2<sup>nd</sup> Largest Regional Operator (Asia) Moving From No.7 to No. 2



## SUM OF OPERATIONS SUBSCRIBERS (Million)



Regional players

**Note:**

- Based on 100% subscriber accounting for shareholdings of 20% and above for subscriber base in Southern Asia and South-Eastern Asia. MTCE is not included in Axiata's subscriber numbers.
- Excludes operators and groups operating in Asia Pacific without holding entity base in the region of Southern Asia and South-Eastern Asia to reflect similar foot print to Axiata.



# FY 2007 – 2013 (GROUP) : Building a Regional Champion

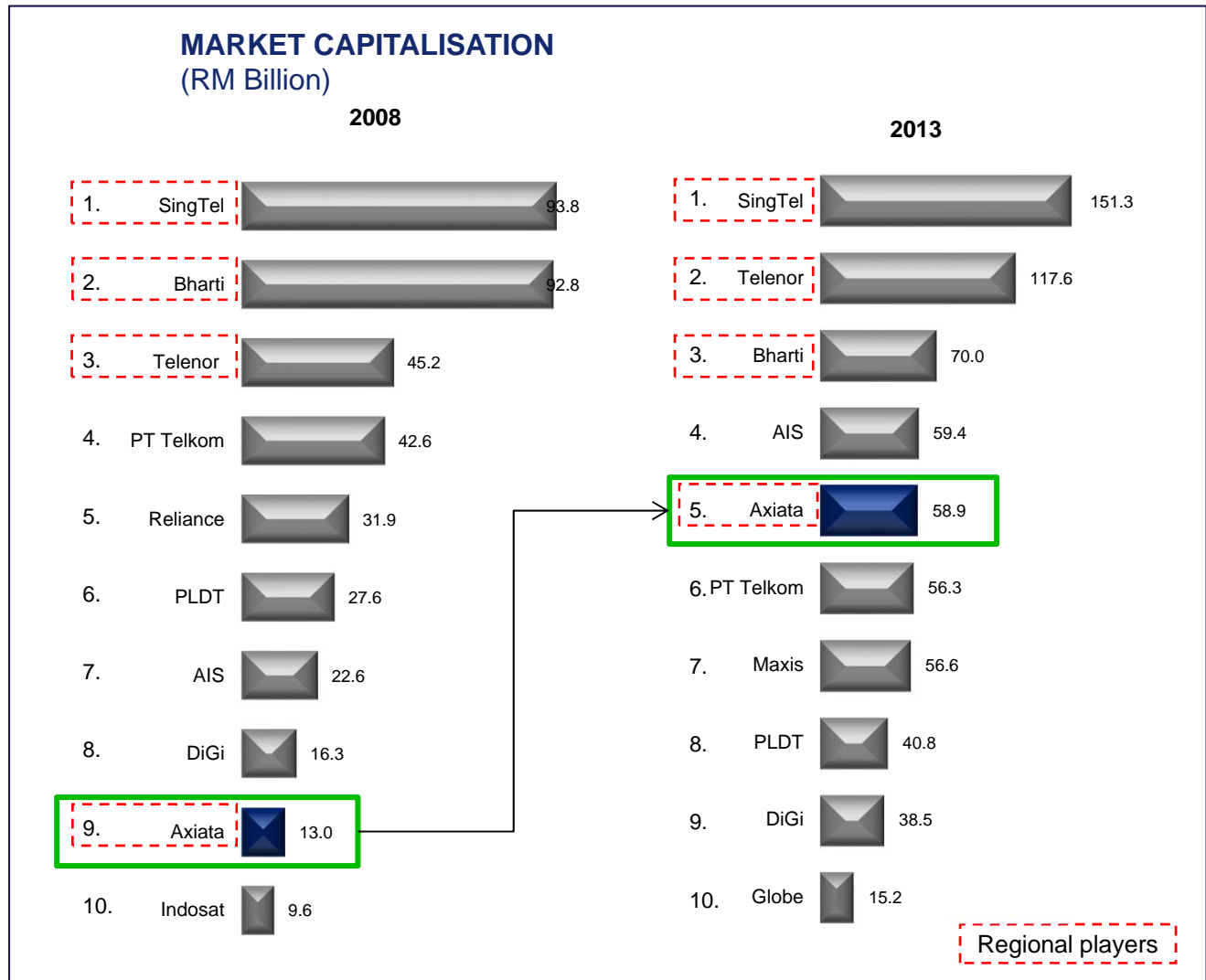
4th Largest Regional Company By Market Cap from 9th Position in 2008



**No. 4\***

+5

**No. 9**  
Market Cap



Note : Telenor market capitalisation is for the whole group and includes European operations

- Market capitalisation includes both fixed and mobile operations.
- Telenor Group is included due to substantial holdings in the region.
- Excludes operators and groups operating in Asia Pacific without holding entity base in the region of Southern Asia and South-Eastern Asia to reflect similar foot print to Axiata.



# Investment Performance

# FY 2013 (GROUP) : Investment Performance

Prudent and Disciplined Dividend Payout



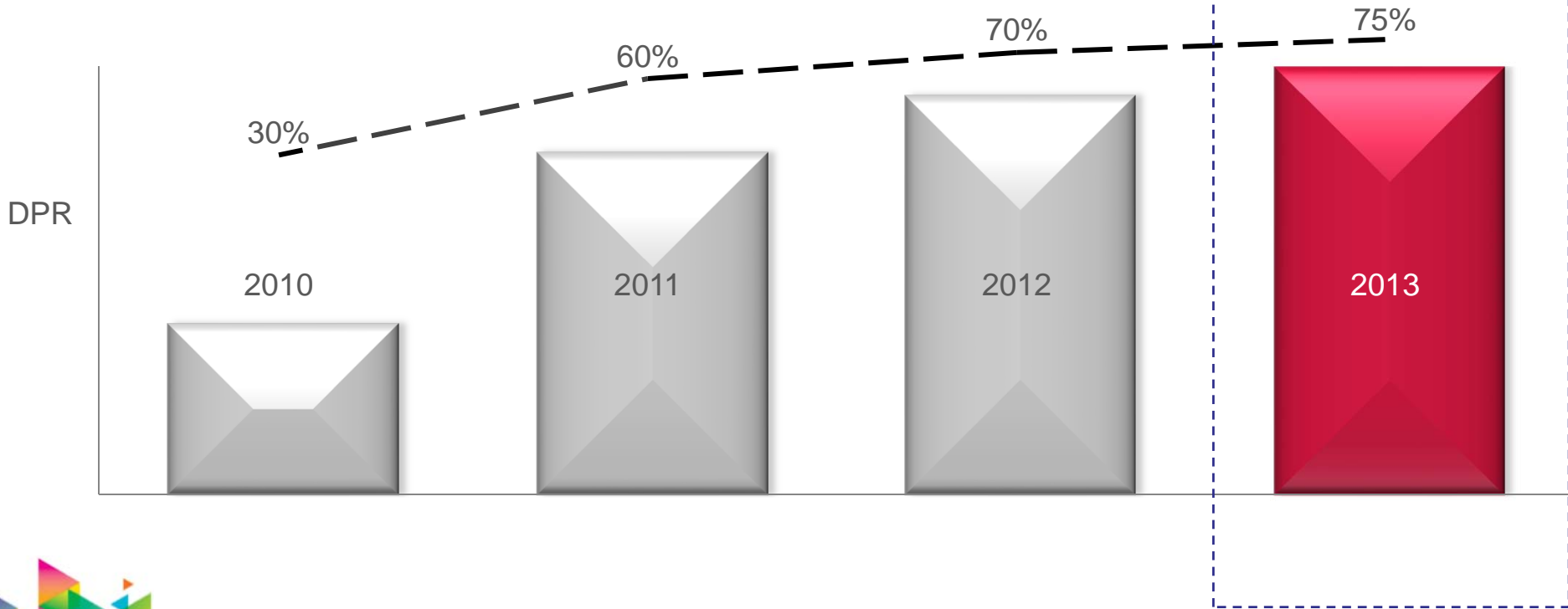
Yield: 2.1%  
Total: RM0.85b  
DPS 10sen

Yield: 3.9%  
Total: RM1.6b  
DPS 19sen

Yield: 5.5%\*  
Total: RM2.9b  
DPS 23sen

Yield: 3.3%  
Total: RM1.9b  
DPS 22sen

Special DPS 12 sen



\* Inclusive of the special dividend paid

# Axiata Group (2013) : Best in Class Recognition

Continued Regional Recognition and Accolades (Major)



Frost & Sullivan Asia Pacific ICT Awards  
**Best Telecom Group 2013**

Malaysia-ASEAN Corporate Governance Index 2013 Awards  
**Top 3 CG Transparency Award**  
**Top 5 Overall CG Award**  
**Best Conduct of AGM Award**  
**Industry Excellence Award : Telecommunications**



Frost & Sullivan Asia Pacific ICT Awards  
**Wireless Data Service  
Provider (2013)**

Frost & Sullivan Malaysia Excellence Awards  
**Mobile Service Provider of the Year 2013**  
**Broadband Service Provider of the Year**  
**Telecommunications Wholesale Service Provider  
(2013)**



Euromoney Best Managed Companies in  
Asia 2013  
**Best Managed Company in  
Indonesia**

TelecomAsia Awards 2013  
**Best Operator in Emerging Market**



The LMD Most Respected Corporate Entities  
**Dialog Axiata PLC Ranked  
Third**

SLIM-Nielsen PEOPLES Telecom Service Provider of the Year  
**Internet Service Provider of the Year**



Frost & Sullivan Asia Pacific ICT Awards  
**Emerging Market Service  
Provider of the Year 2013**

22nd World HRD Congress 2014  
**Best Employer of the Year, (Rank 5)**  
**Talent Management: Best HR Strategy , Global  
HR Strategy**





# Shaping the Future

## Building a New Generation Telco

# SHAPING THE FUTURE : Building a New Generation “Telco”

Our Vision, To Be a Regional Champion by 2015



# Sustainability (GROUP) : Strategic Approach to Sustainability

Our Holistic Four-Pillar Approach To Sustainability



1<sup>st</sup> GRI G4 Report from Malaysia

Amongst the first telco globally to report on GRI G4

Independent 3<sup>rd</sup> Party Assured Report

# THE AXIATA GROUP

Shaping The Future



- ✓ **We Have Invested Significantly to Ensure Long-Term Success**
- ✓ **We are on Track to Become a Regional Champion**
- ✓ **Post-demerger, We Have Delivered Significant Return on Shareholders' Investment**
- ✓ **We are Now Shaping the Future and Building a New Generation Telco**
- ✓ **Our Goals are Beyond Short-Term profits. We are Committed to Sustainability & National Contribution**

# Thank You