














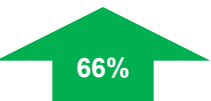
Investor Forum Q3 2009

Enriching Sri Lankan Lives

an axiata company



QoQ Performance Overview*

Dialog Telekom PLC (Company)	Revenue	 2%	EBITDA	 11%	NPAT	 7,500%
Dialog Broadband Networks (DBN)	Revenue	 (1%)	EBITDA	 (725%)	NPAT	 (23%)
Dialog Television (DTV)	Revenue	 0%	EBITDA	 57%	NPAT	 36%
Dialog Group	Revenue	 2%	EBITDA	 10%	NPAT	 66%

*Normalised Performance

Dialog Telekom PLC – Company

Dialog Telekom PLC – P&L Highlights

✓ Revenue **grew by 2% QoQ & 5% relative to Q1 2009**

✓ Normalised EBITDA improved **by 11% QoQ and 27% relative to Q1 2009**

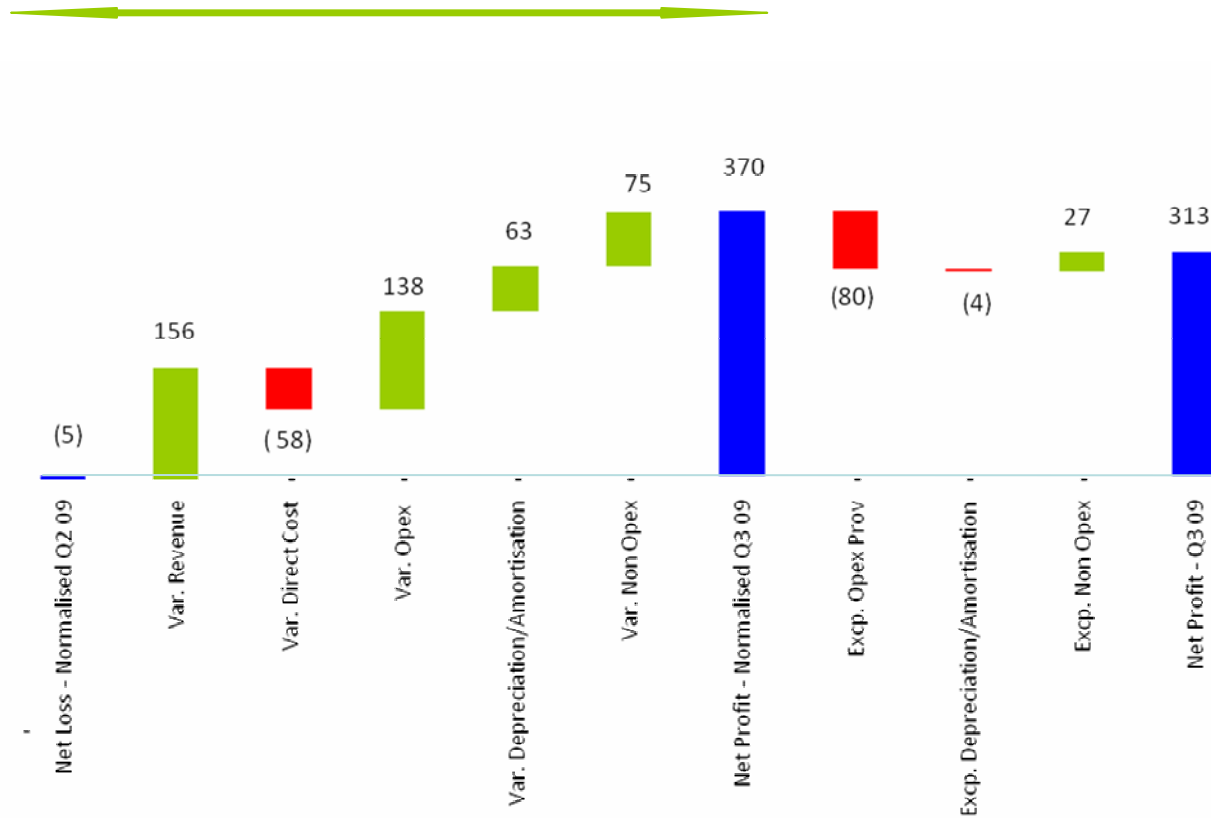
(All figures in LKR Mn.)	Q3'09	QoQ change	Q3'09 Vs. Q1'09	9M 09	YTD change
Revenue	8,125	2%	5%	23,803	-5%
Normalized Total Cost*	5,771	-1%	-4%	17,631	2%
EBITDA	2,275	38%	71%	5,252	-31%
Normalised EBITDA	2,355	11%	27%	6,331	-19%
PAT	313	104%	128%	(8,050)	-418%
Normalized PAT	370		162%	(233)	-108%

* Excl. depreciation & impairment

** Normalised performance in Q2 '09 excl. one-off network modernisation charge (Rs. 6Bn.), equipment obsolescence charge (Rs. 770Mn.) & a prov. for inter company receivables from DTV (Rs. 410Mn.).

PAT Reconciliation Q2 '09 to Q3 '09

Operational Improvement

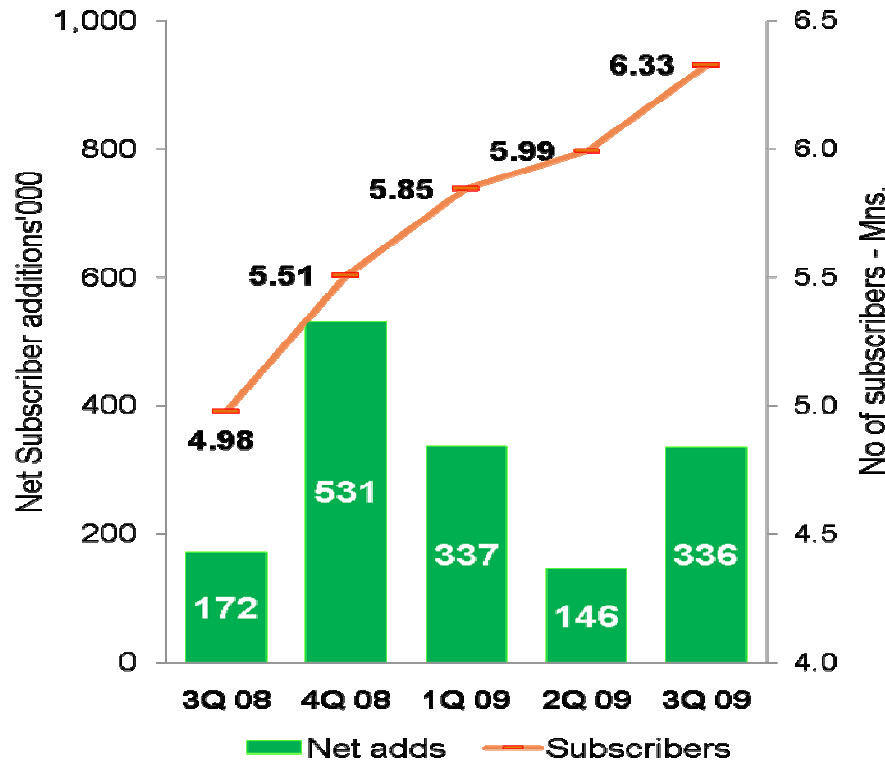


Revenue Drivers & Dynamics

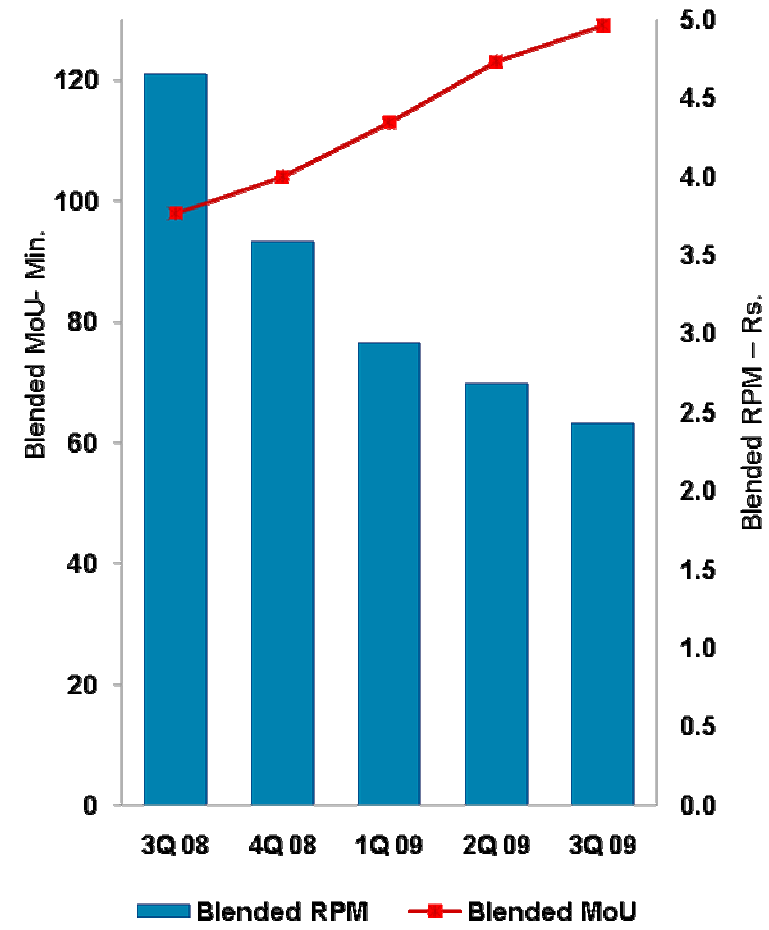
Pre : Post mix



No of Subscribers & Net additions



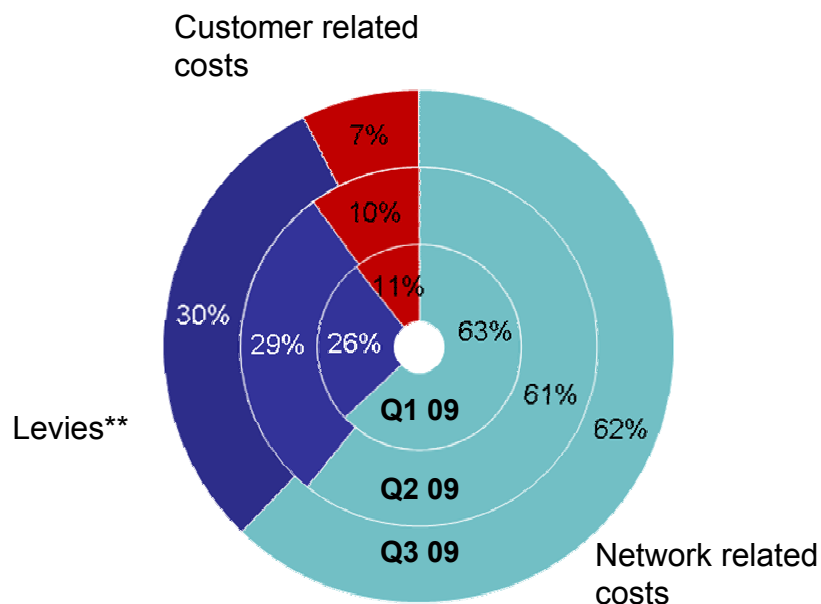
Blended MoUs & Revenue per Minute



Direct Costs: Increase Commensurate with Revenue Growth

Direct Cost Composition*

- ✓ Direct Costs Commensurate with Revenue Expansion
- ✓ Levies – a significant component of Direct Cost



* excl. depreciation & non-recurring charges

** Incl. international telecommunication levy & frequency fees

Direct Costs* - Q3'09 vs. Q2'09

2%

Network related cost (Rs.80Mn)

4%

- International origination cost increased by 8%
- Roaming expenditure increased by 6%
- Network maintenance BTS/MSC grew by 31%

Levies (Rs.57Mn)

6%

- International Telecommunication Levy increased by 9% due to increase in international Termination

Customer related costs (Rs.79Mn)

25%

- SIM cards, scratch cards & starter packs cost
- Cost of phone & accessories
- Bill processing cost

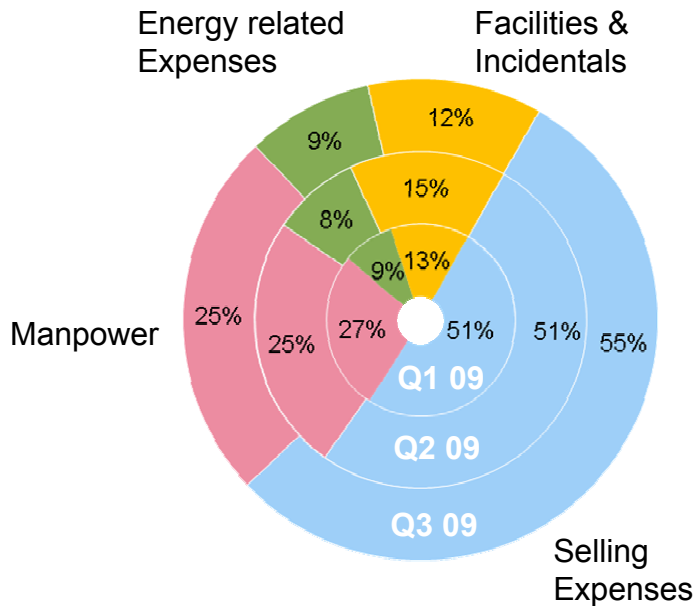
Telco Depreciation

4%

➤ As a % of Revenue 19%

Operating Costs: Drops in the wake of strategic cost rescaling activities

Operating Cost Composition*



* excl. depreciation & non-recurring charges

Operating Costs* - Q3 09 vs. Q2 09

5%

Selling Expenses (Rs.10Mn)

- Increase in advertising expenses

1%

Manpower Expenses (Rs.32Mn)

- Manpower saving derived from rightsizing

5%

Energy related Expenses (Rs.8Mn)

- Cost rescaling initiative

3%

Facilities & Incidentals (Rs.108Mn)

- Office rent dropped by 6%
- Cost rescaling initiative

26%

Non - Telco Depreciation

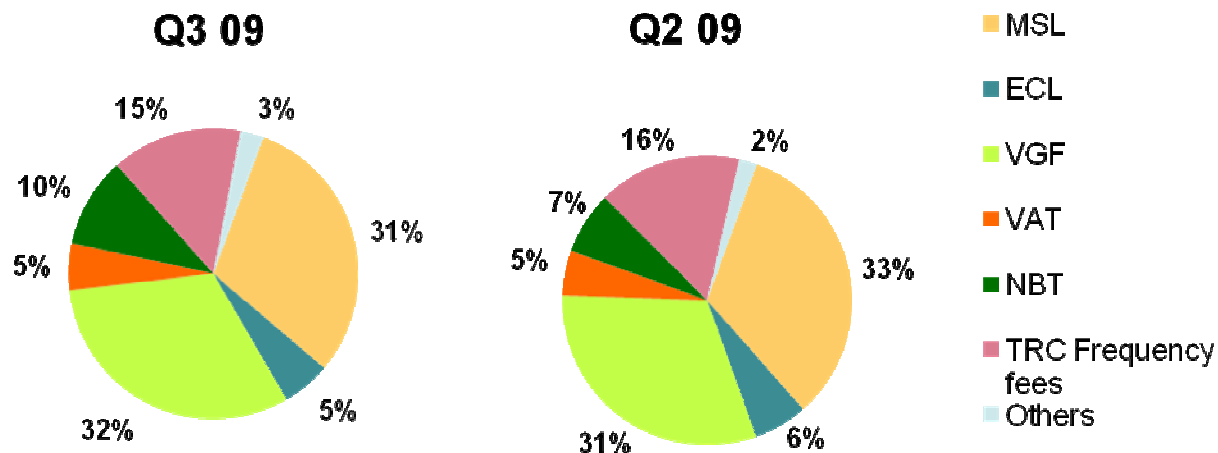
0%

➤ As a % of Revenue

4%

Remittances to Government of Sri Lanka (GoSL)

GoSL payments composition



➤ P&L impact of GoSL remittances Rs. 1,005 Mn. in Q3 '09

(All figures in Rs. Mn.)	Q3 09	Q2 09	Change %
MSL	654	647	1%
ECL	115	113	2%
VGF	671	615	9%
VAT	110	99	11%
NBT	214	153	40%
TRC Frequency fees	309	308	0%
Others	55	46	20%
Total Levies	2,128	1,981	7%

*Other incl. economic service charge, stamp duty, turnover tax

EBITDA, PAT & Margins

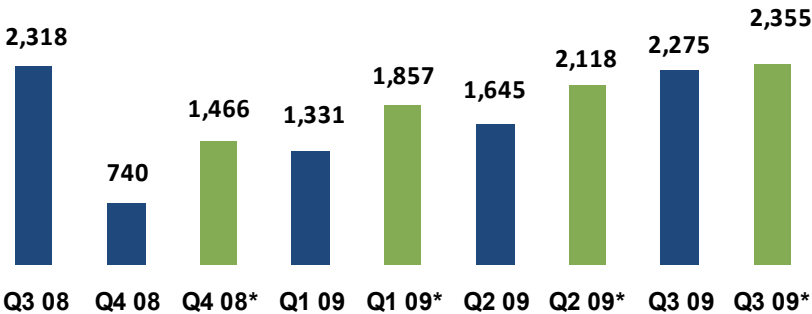
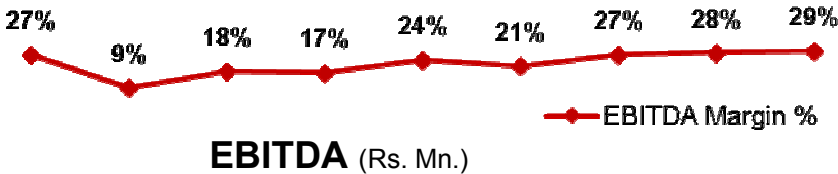
EBITDA normalised for Non recurring Items at Rs. 2.3Bn

- **growth of 11% Vs. Q2 09**

EBITDA margin

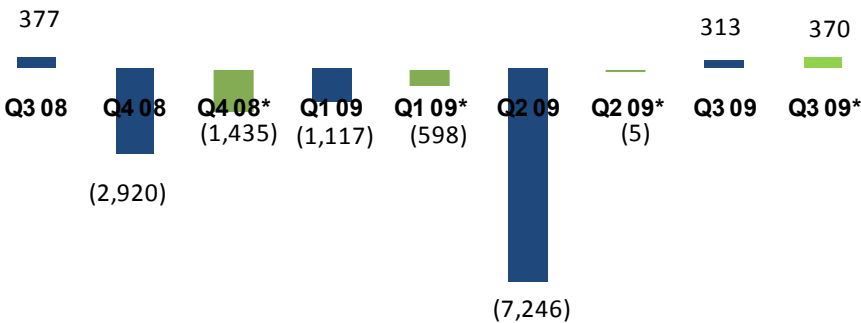
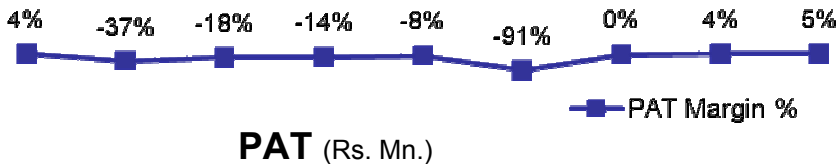
- **up 2% pts Vs Q2 09 (Norm)**

29%



Normalised PAT improved significantly

- **PAT – Rs. 370Mn in Q3 09 vs. negative Rs. 5Mn in Q2 09**



*Normalised Performance

Balance Sheet – Dialog Telekom

(All figures in Rs. '000)	30 th September 2009	31 st December 2008
ASSETS		
Non - current assets	66,681,550	69,677,390
Current assets	9,899,937	10,499,687
Total assets	76,581,487	80,177,077
EQUITY		
Capital and reserves attributable to equity holders of the company		
Stated capital	31,806,113	32,556,113
ESOS Trust shares	(1,990,921)	(1,990,921)
Dividend reserve - ESOS	260,067	260,067
Revaluation reserve	19,566	19,913
Retained earnings	5,735,628	14,549,916
	35,830,453	45,395,088
LIABILITIES		
Non - current liabilities	23,062,748	8,806,749
Current liabilities	17,688,286	25,975,240
Total liabilities	40,751,034	34,781,989
Total equity and liabilities	76,581,487	80,177,077
Net Asset per share (Rs)	4.40	5.57

▪ Non current liabilities have increased due to term loan of USD 100Mn. obtained from OCBC in March '09 and **reclassification of long term advances** from Axiata as non current liabilities

- Total long term borrowings includes loans from Axiata (USD 79.5Mn.)
- IFC loan of USD 50Mn was prepaid in April'09

Cash Flow Highlights - Dialog Telekom

(All figures in Rs. Mn.)	30-September 2009	30-September 2008
Net cash from operating activities	9,043	3,735
Net cash used in investing activities	(9,172)	(17,591)
Net cash generated from financing activities	1,427	8,056
Increase/(decrease) in cash and cash equivalents	1,298	(5,800)
Movement in cash and cash equivalents		
At start of year	(852)	6,062
Increase/(decrease)	1,298	(5,800)
Forex adjustment	132	(46)
At end of period	578	216

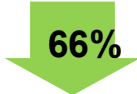


- Operating Cash Flows increased two-fold compared to first 9 months of 2008, due to aggressive growth in revenue, re-scaling of cost structures and improvements in working capital management.

- Cash used in Investing activities reduced by 48% YoY due to rationalising of Capex.

** Comparatives restated to conform to changes in current year's presentation*

Capital Structure & Related KPIs

- Net debt/EBITDA has increased mainly due to increase in borrowings (OCBC - USD 100 Mn., advances from Axiata - USD 79.5 Mn.) and reduction in earnings
- Reduction in Net Asset is mainly due to a one-off provision of Rs. 6 Bn for impairment arising on account of network modernization

(All figures are in Rs.Mn. except ratios)	30-Sep-09	30-Sep-08	YTD Change
Capex*	6,168	18,249	 66%
Cash & Cash Equivalents	1,933	735	 163%
Net Debt	25,332	21,841	
Net Assets	35,830	48,726	 26%
Net debt/ equity (x)	0.71	0.45	
Net debt/ EBITDA (x)**	3.62	2.61	

*Capex includes CWIP additions + direct additions

** Annualised EBITDA

Funding Position

Summary of Outstanding Borrowings - As at 30 September 2009

Instructions	Type of facility	Currency	Facilities amount	Principal outstanding	Less than one year	More than one year
			USD Mn eqv.	USD Mn eqv.	USD Mn eqv.	USD Mn eqv.
DFCC	Term Loan	LKR	8.72	6.97	1.74	5.23
SCB	Loan Facility	LKR	21.81	18.54	18.54	0.00
OCBC	Term Loan	USD	100.00	100.00	0.00	100.00
Total			130.53	125.51	20.28	105.23

*SCB facility is a revolving trade facility

** Above excludes vendor financing and shareholder advances

Dialog Group

Dialog Group – P&L Highlights

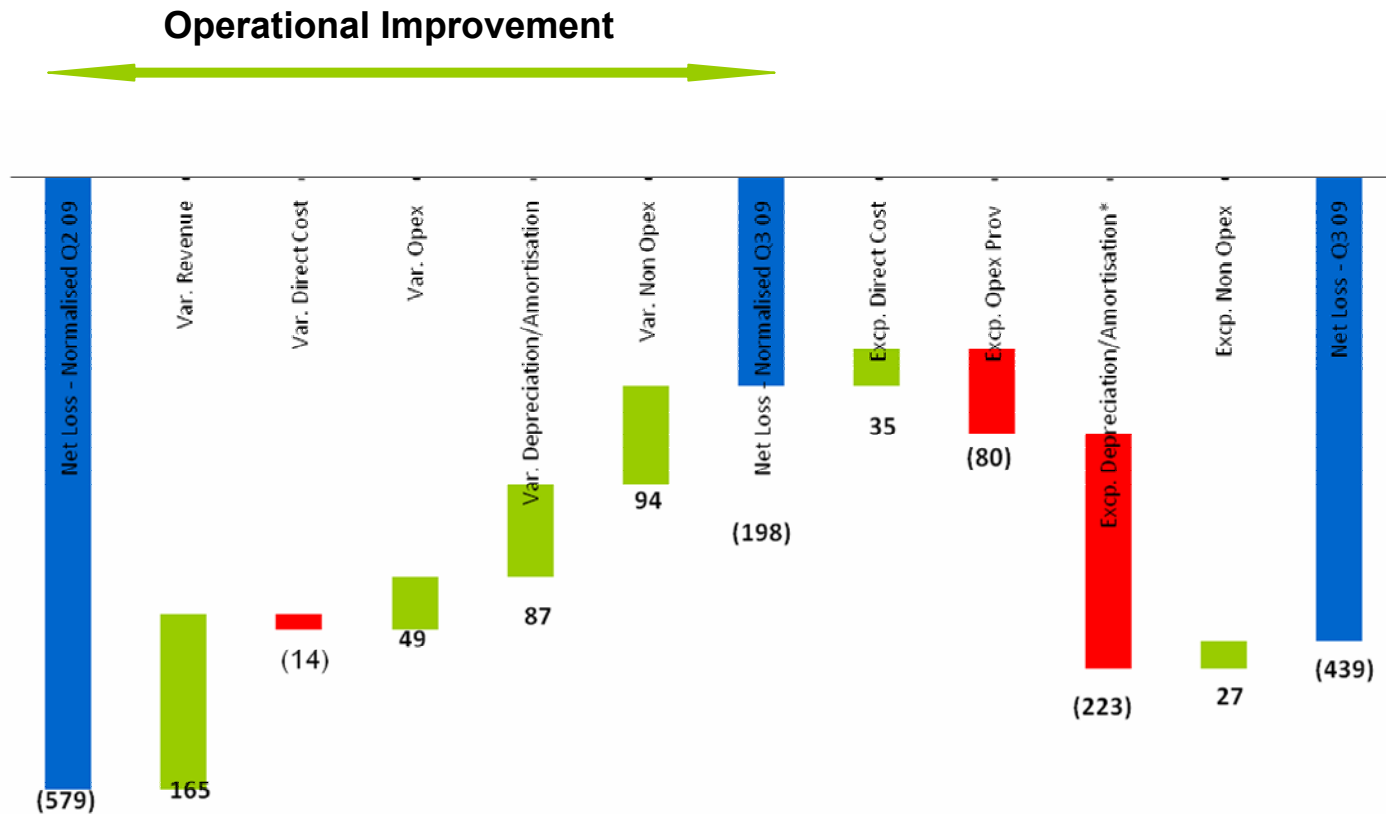
- ✓ Normalised Group costs **dropped by 1% QoQ & 4% relative** to Q1 2009
- ✓ Normalised EBITDA & PAT **improved by 10% & 66% respectively** on a QoQ basis

(All figures in LKR Mn.)	Q3'09	QoQ change	Q3'09 Vs. Q1'09	9M 09	YTD change
Revenue	8,945	2%	6%	26,200	-5%
Normalized Total Cost*	6,647	-1%	-4%	20,278	2%
EBITDA	2,252	27%	98%	5,168	-31%
Normalised EBITDA	2,297	10%	36%	6,080	-21%
PAT	(439)	94%	76%	(9,975)	
Normalized PAT	(198)	66%	85%	(2,102)	-240%

* Excl. depreciation & impairment

** Normalised performance in Q2 '09 excl. one-off network modernisation charge (Rs. 6Bn.), equipment obsolescence charge (Rs. 770Mn.) & non-recurring charge on account of OFN project financing (Rs. 257Mn.) for DBN.

Dialog Group PAT Reconciliation Q2 '09 to Q3 '09



* Incl. a non-recurring charge of Rs. 220Mn. for DBN on account of the impairment of equipment to be fully decommissioned by the end of 2009

Dialog Broadband Networks (DBN) (Fixed Telephony and Broadband Services)

DBN – P&L Highlights

- ✓ Revenue excl. connection fee **increased by 29% YTD vs 9M 08**
- ✓ DBN's Q3 2009 performance incl. a **non-recurring charge of Rs. 220 Mn.** on account of the impairment of equipment to be fully decommissioned by the end of 2009

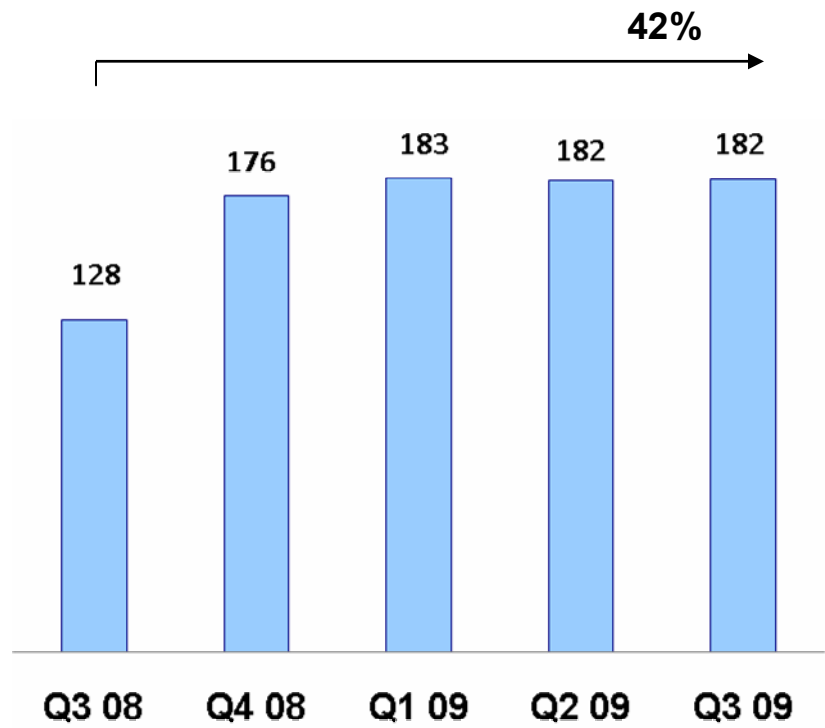
(All figures in LKR Mn.)	Q3'09	QoQ change	Q3'09 Vs. Q1'09	9M 09	YTD change
Revenue	581	-1%	-1%	1,750	-5%
Revenue excluding connection fee	561	-2%	1%	1,691	29%
EBITDA	(75)	69%	15%	(409)	-445%
Normalised EBITDA	(75)	-725%	-9%	(132)	-211%
PAT	(632)	-7%	-45%	(1,660)	-80%
Normalized PAT	(412)	-23%	1%	(1,164)	-26%

CDMA & Broadband Subscribers	182,174	YOY change	53,971	 42%
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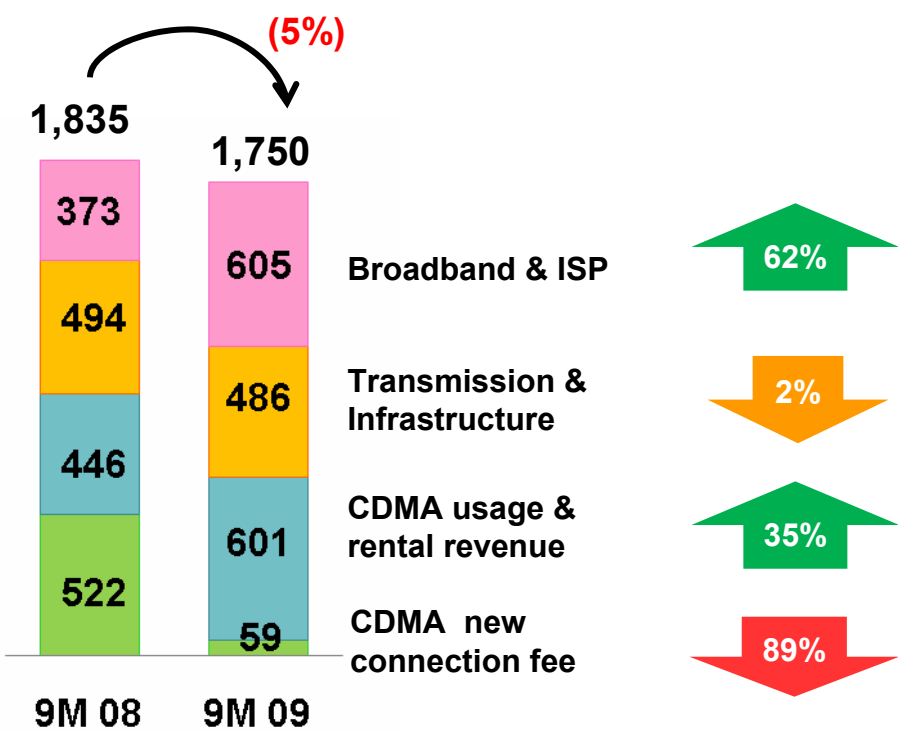
DBN – Revenue Trends

- ✓ CDMA & Broadband subscribers **up 42% YoY**
- ✓ Broadband & ISP revenue and CDMA usage & rental revenue **increased by 62% & 35% respectively YoY**
- ✓ Revenue drop of 5% YoY due to the reduction in Connection Fee Revenue resulting from focused subscriber acquisition strategy

CDMA & Broadband subscribers '000



Revenue mix – LKR Mn.

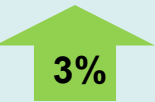



Dialog Television (DTV)

DTV – P&L Highlights

- ✓ DTV Revenue **increased by 28% YTD vs. 9M 08**
- ✓ Normalised EBITDA & PAT **improved by 57% & 36% respectively on a QoQ basis**

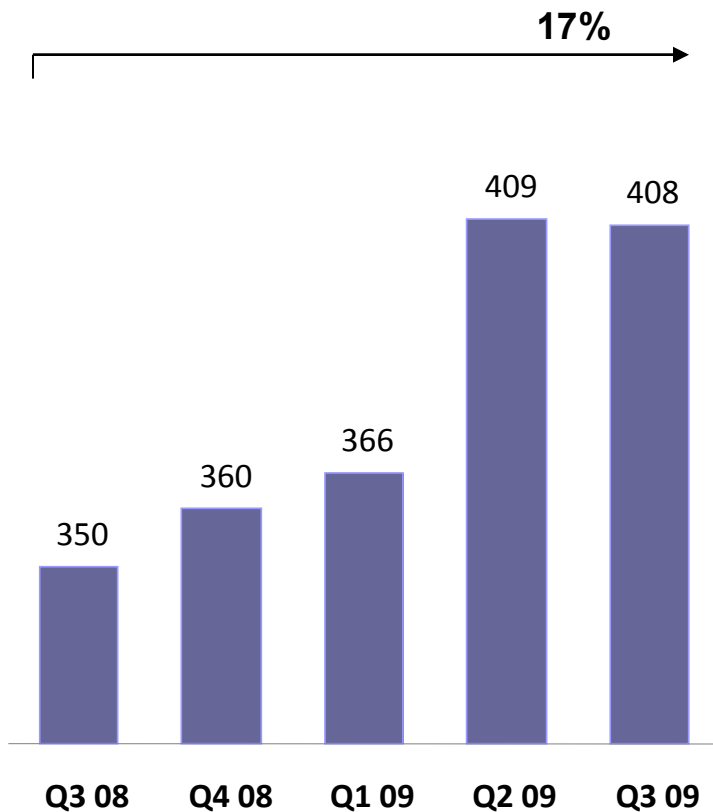
(All figures in LKR Mn.)	Q3'09	QoQ change	Q3'09 Vs. Q1'09	9M'09	YTD change
Revenue	408	0%	11%	1,183	28%
EBITDA	0.8	101%	101%	(240)	36%
Normalized EBITDA	(35)	57%	78%	(273)	27%
PAT	(108)	52%	64%	(637)	-18%
Normalized PAT	(144)	36%	52%	(670)	-24%

Pay TV Subscribers	141,100	 3%	YOY Change	23,588	 20%
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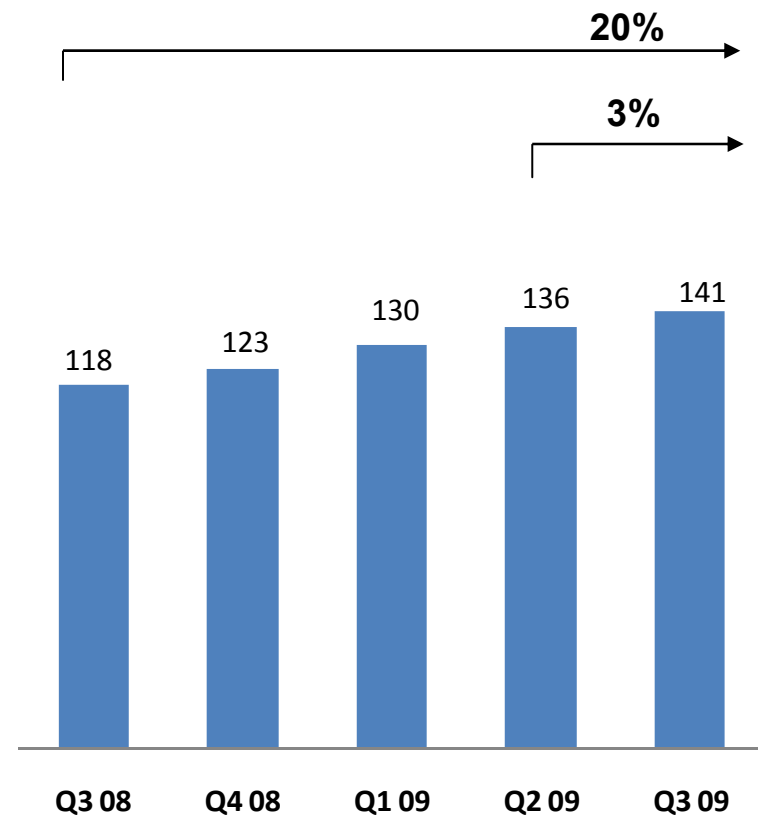
DTV – Revenue Trend

- ✓ DTV Revenue **grew by 17% YoY**
- ✓ Pay TV Subscribers **grew by 3%** on a QoQ basis and **20% on a YoY basis**

Revenue LKR Mn.



Subscribers '000



Thank You