

TELEKOM MALAYSIA BERHAD (128740-P)

(Incorporated in Malaysia)

The Board of Directors of Telekom Malaysia Berhad is pleased to announce the following audited results of the Group for the financial year ended 31 December 2007.

AUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	4TH QUARTER ENDED		FINANCIAL YEAR ENDED	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
	RM Million	(RESTATED) RM Million	RM Million	(RESTATED) RM Million
OPERATING REVENUE	4,734.2	4,407.8	17,842.9	16,399.2
OPERATING COSTS				
- depreciation, impairment and amortisation	(1,072.4)	(1,033.7)	(4,143.5)	(4,001.5)
- other operating costs	(3,065.1)	(2,520.2)	(10,676.6)	(9,085.6)
OTHER OPERATING INCOME	52.6	110.1	460.5	178.5
OPERATING PROFIT BEFORE FINANCE COST	649.3	964.0	3,483.3	3,490.6
FINANCE INCOME	56.8	52.9	203.9	234.0
FINANCE COST	(153.9)	(130.6)	(820.9)	(621.9)
NET FINANCE COST	(97.1)	(77.7)	(617.0)	(387.9)
JOINTLY CONTROLLED ENTITIES				
- share of results (net of tax)	150.4	(15.2)	175.5	10.6
- gain on dilution of equity interest	-	-	71.3	-
ASSOCIATES				
- share of results (net of tax)	14.8	0.4	29.5	19.9
PROFIT BEFORE TAXATION	717.4	871.5	3,142.6	3,133.2
TAXATION	(75.3)	(226.0)	(511.0)	(830.9)
PROFIT FOR THE YEAR	642.1	645.5	2,631.6	2,302.3
ATTRIBUTABLE TO:				
- equity holders of the Company	592.5	590.8	2,547.7	2,068.8
- minority interests	49.6	54.7	83.9	233.5
PROFIT FOR THE YEAR	642.1	645.5	2,631.6	2,302.3
EARNINGS PER SHARE (sen) (Note B12)				
- basic	17.2	17.4	74.4	61.0
- diluted	-	17.4	-	60.8

(The above Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)

AUDITED CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2007

	AS AT 31/12/2007 (AUDITED)	AS AT 31/12/2006 (AUDITED & RESTATED)
	RM Million	RM Million
SHARE CAPITAL	3,439.8	3,397.6
SHARE PREMIUM	4,262.1	3,941.9
RESERVES	12,100.2	12,571.6
TOTAL CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	19,802.1	19,911.1
MINORITY INTERESTS	849.4	836.5
TOTAL EQUITY	20,651.5	20,747.6
Borrowings	9,747.2	10,282.8
Deferred tax liabilities	2,313.2	2,261.9
Provision for liabilities	87.2	64.6
DEFERRED AND LONG TERM LIABILITIES	12,147.6	12,609.3
	32,799.1	33,356.9
INTANGIBLE ASSETS	7,460.9	7,059.1
PROPERTY, PLANT AND EQUIPMENT	23,983.3	23,680.3
PREPAID LEASE PAYMENT	387.0	346.2
LAND HELD FOR PROPERTY DEVELOPMENT	165.4	168.4
JOINTLY CONTROLLED ENTITIES	1,024.4	807.5
ASSOCIATES	252.5	220.6
INVESTMENTS	138.9	226.7
LONG TERM RECEIVABLES	511.5	557.7
DEFERRED TAX ASSETS	179.4	115.6
Non-current assets held for sale	988.4	24.0
Inventories	181.1	172.8
Trade and other receivables	4,398.6	3,464.1
Short term investments	378.1	320.1
Cash and bank balances	4,171.8	4,680.4
CURRENT ASSETS	10,118.0	8,661.4
Trade and other payables	6,702.7	5,740.9
Customer deposits	732.6	718.9
Borrowings	2,177.2	1,803.1
Current tax liabilities	155.2	223.7
Dividend payable	1,654.5	-
CURRENT LIABILITIES	11,422.2	8,486.6
NET CURRENT (LIABILITIES) / ASSETS	(1,304.2)	174.8
	32,799.1	33,356.9
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (sen)	575.7	586.0

(The above Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007**

	Attributable to equity holders of the Company							Total Equity RM Million
	Issued and Fully Paid of RM1 each		Currency Translation Differences RM Million	ESOS Reserves RM Million	Retained Profits RM Million	Minority Interests RM Million		
	Share Capital RM Million	Share Premium RM Million						
At 1 January 2007	3,397.6	3,941.9	(282.4)	25.0	12,829.0	836.5	20,747.6	
Currency translation differences arising during the year								
- subsidiaries	-	-	(243.6)	-	-	(85.8)	(329.4)	
- jointly controlled entities	-	-	81.6	-	-	-	81.6	
- associates	-	-	14.2	-	-	-	14.2	
Net loss not recognised in the Income Statement	-	-	(147.8)	-	-	(85.8)	(233.6)	
Profit for the year	-	-	-	-	2,547.7	83.9	2,631.6	
Total recognised (expense)/income for the year	-	-	(147.8)	-	2,547.7	(1.9)	2,398.0	
Acquisition of additional equity interest in subsidiaries	-	-	-	-	-	(44.7)	(44.7)	
Dilution, disposal and partial disposal of equity interest in subsidiaries	-	-	17.6	-	-	23.3	40.9	
Rights issue of a subsidiary	-	-	-	-	-	67.7	67.7	
Reclassified to intangible asset	-	-	-	-	180.8	-	180.8	
Final dividends paid for the year ended 31 December 2006 (Note A6)	-	-	-	-	(749.5)	-	(749.5)	
Interim dividends paid for the year ended 31 December 2007 (Note A6 & B14)	-	-	-	-	(652.9)	-	(652.9)	
Special dividends payable for the year ended 31 December 2007 (Note B14)	-	-	-	-	(1,654.5)	-	(1,654.5)	
Dividends paid to minority interests	-	-	-	-	-	(36.0)	(36.0)	
Employees' share option scheme (ESOS)								
- shares issued	42.2	304.2	-	-	-	-	346.4	
- options granted	-	-	-	3.2	-	4.5	7.7	
- options exercised	-	16.0	-	(16.0)	-	-	-	
- ESOS expired	-	-	-	(12.2)	12.2	-	-	
At 31 December 2007	3,439.8	4,262.1	(412.6)	-	12,512.8	849.4	20,651.5	

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)

**AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006**

	Attributable to equity holders of the Company						
	Issued and Fully Paid of RM1 each		Currency Translation Differences RM Million	ESOS Reserves RM Million	Retained Profits RM Million	Minority Interests RM Million	Total Equity RM Million
	Share Capital RM Million	Share Premium RM Million					
At 1 January 2006	3,391.5	3,904.2	(251.2)	-	11,942.9	654.0	19,641.4
Currency translation differences arising during the year							
- subsidiaries	-	-	(134.4)	-	-	(2.5)	(136.9)
- jointly controlled entities	-	-	18.5	-	-	-	18.5
- associates	-	-	84.3	-	-	-	84.3
Net gain not recognised in the Income Statement	-	-	(31.6)	-	-	(2.5)	(34.1)
Profit for the year	-	-	-	-	2,068.8	233.5	2,302.3
Total recognised (expense)/income for the year	-	-	(31.6)	-	2,068.8	231.0	2,268.2
Acquisition of equity interest in a subsidiary	-	-	-	-	-	28.1	28.1
Dilution of equity interest in subsidiaries	-	-	0.4	-	-	23.6	24.0
Transaction with minority interests	-	-	-	-	(180.8)	(77.4)	(258.2)
Final dividends paid for the year ended 31 December 2005	-	-	-	-	(610.9)	-	(610.9)
Interim dividends paid for the year ended 31 December 2006	-	-	-	-	(391.0)	-	(391.0)
Dividends paid to minority interests	-	-	-	-	-	(33.6)	(33.6)
Employees' share option scheme (ESOS)							
- shares issued	6.1	37.7	-	-	-	-	43.8
- options granted	-	-	-	25.0	-	10.8	35.8
At 31 December 2006	3,397.6	3,941.9	(282.4)	25.0	12,829.0	836.5	20,747.6

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)

AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007

	FINANCIAL YEAR ENDED 31/12/2007 RM Million	FINANCIAL YEAR ENDED 31/12/2006 RM Million
Receipts from customers	17,065.1	16,180.9
Payments to suppliers and employees	(9,475.2)	(8,893.4)
Payment of compensation	-	(874.0)
Payment of finance cost	(887.7)	(648.8)
Payment of income taxes (net of refunds)	(755.2)	(530.9)
CASH FLOWS FROM OPERATING ACTIVITIES	5,947.0	5,233.8
Disposal of property, plant and equipment	45.1	41.4
Purchase of property, plant and equipment	(6,197.1)	(5,592.7)
Disposal of non-current asset held for sale	70.0	-
Payment of intangible asset (telecommunication and spectrum licence)	(8.6)	(192.5)
Disposal of long term investments	9.4	157.3
Disposal of short term investments	213.1	147.0
Purchase of short term investments	(205.2)	(166.2)
Disposal of subsidiaries (net of cash disposed)	51.7	-
Partial disposal of a subsidiary	280.4	3.5
Acquisition of subsidiaries (net of cash acquired)	-	(39.4)
Additional investments in subsidiaries	(396.6)	(265.4)
Disposal of an associate	0.2	-
Acquisition of an associate	(2.5)	(124.8)
Investment in a jointly controlled entity	-	(659.4)
Repayments of loans by employees	108.7	112.2
Loans to employees	(50.5)	(52.2)
Interest received	180.7	226.8
Dividend received	22.5	7.2
CASH FLOWS USED IN INVESTING ACTIVITIES	(5,878.7)	(6,397.2)
Issue of share capital	346.4	43.8
Issue of share capital to minority interests	83.2	20.7
Proceeds from borrowings	2,636.6	2,344.9
Repayments of borrowings	(2,214.1)	(1,875.7)
Dividends paid to shareholders	(1,402.4)	(1,001.9)
Dividends paid to minority interests	(36.0)	(33.6)
CASH FLOWS USED IN FINANCING ACTIVITIES	(586.3)	(501.8)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(518.0)	(1,665.2)
EFFECT OF EXCHANGE RATE CHANGES	(55.5)	(69.4)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	4,666.4	6,401.0
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	4,092.9	4,666.4

(The above Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)