

## Ooredoo Q.S.C.

### Ooredoo Group First Half 2016 Reported Revenue of QAR 16bn

*Net Profit increased by 46%*

**Doha, Qatar, 26 July 2016:** Ooredoo Q.S.C. ("Ooredoo") - Ticker: ORDS today announced results for the six months ended 30 June 2016.

#### Financial Highlights:

	Quarterly Analysis			Half Year Analysis		
	Q2 2016	Q2 2015	% change	1H 2016	1H 2015	% change
<b>Consolidated Revenue (QAR m)</b>	8,026	8,004	0%	15,914	16,042	-1%
<b>EBITDA (QAR m)</b>	3,298	3,251	1%	6,478	6,456	0%
<i>EBITDA Margin (%)</i>	41%	41%	-	41%	40%	-
<b>Net Profit Attributable to Ooredoo Shareholders (QAR m)</b>	583	501	16%	1,462	1,002	46%
<b>Consolidated Customers (m)</b>	130	114	14%	130	114	14%

#### Operational highlights H1 2016:

- Customer base increased by 14% to 130 million; driven by strong growth in Indonesia and Myanmar.
- Revenue at QAR 16 billion: local currency growth in Qatar, Oman, Indonesia, Myanmar, Algeria, Kuwait, Palestine and the Maldives. Excluding Foreign Exchange translation impact, revenues would have increased 2%, compared to the reported decline of 1%.
- Group EBITDA stable at QAR 6.5 billion with an improved EBITDA margin of 41% compared to last year indicating a continued improvement in operational performance from Q1 2016. Excluding Foreign Exchange translation impact, Group EBITDA would have increased by 3% year-on-year.
- Group Net Profit to Ooredoo shareholders increased by 46% to QAR 1.5 billion driven by strong contributions from Indonesia, Myanmar and Algeria supported by positive Foreign Exchange movements.
- Continued strong data growth from consumer and enterprise customers: data revenue increased to 39% of Group revenue (H1 2015: 34%). Revenue from data contributed QAR 6.2 billion in H1 2016.
- Ooredoo continues to be the data leader in its markets: first telecom provider to launch 4G services in Myanmar (May 2016) and pre-launch phase finalised in Algeria (July 2016). 4G networks now available in eight of Ooredoo's 10 markets.
- Ooredoo Kuwait finalized the acquisition of "FASTtelco", a Kuwait based ISP, to offer advanced fixed broadband and mobile services in exchange for KD 11 million in March 2016.

- Ooredoo announced in March 2016 that its subsidiary wi-tribe limited concluded the sale of wi-tribe Pakistan to HB Offshore Investment Ltd. for a cash amount of approximately QAR 32.7 million
- B2B revenue increased by 5% to QAR 2.8 billion reflecting Ooredoo's ongoing investment in services for business customers.
- Successful new funding at attractive cost in June 2016:
  - New USD 500 million 10 year 3.75% bond
  - New USD 1 billion Revolving Credit Facility Agreement with a six year tenor

**Commenting on the results, H.E. Sheikh Abdulla Bin Mohammed Bin Saud Al-Thani, Chairman of Ooredoo, said:**

"This has been a good first half of the year for Ooredoo. Despite the challenges of the global economy and a number of market specific issues, Ooredoo continues to generate value. We are successfully implementing our digital strategy across our markets, making world class communication services available to our consumer and enterprise customers. The investments we are making in our data networks and services are leading to good operational trends across the business. Customers increasingly see Ooredoo as a digital communications company, offering the best services across our voice and data networks."

**Also commenting on the results, H.E. Sheikh Saud bin Nasser Al Thani, Group Chief Executive Officer of Ooredoo said:**

"We have seen some good operational improvements across our businesses during the first six months of the year. Both revenue and EBITDA were robust for the period at QAR 16 billion and QAR 6.5 billion respectively. Group EBITDA margin actually improved to 41% driven by better efficiencies in the following countries: Indonesia, where we acquired almost 12 million new customers; Algeria, where we are getting ready to launch 4G services; Myanmar, where we are making good progress and have launched 4G already and even in Iraq despite the difficult security situation. Revenue growth continued in Oman and Qatar. Kuwait continues to perform well in a highly competitive market, improving both revenue and EBITDA. Tunisia was impacted by the ongoing economic slowdown in the country. However, Tunisia grew its customer base by 4% and improved revenue and EBITDA quarter-on-quarter."

"We now have 8 of our 10 operators within the Ooredoo Group offering 4G networks. Data growth across the business has been strong, reflecting our ability to deliver highly valued data services to our customers across best in class data networks. Data as a percentage of group revenue is now 39%, compared to 34% for the first half of 2015. We successfully refinanced our USD 1 billion loan and launched a new USD 500 million bond in June. Strong support by our investors helped to reduce refinancing risk for the next few years."

## **Operational Review**

### **Middle East**

#### **Ooredoo Qatar**

Ooredoo Qatar delivered a solid performance in H1 2016. Customer numbers reached 3.4 million approximately in line with 1H 2015. Revenue was just over QAR 4 billion, a 1% increase compared to H1 2015. H1 2016 EBITDA stood at QAR 2 billion and Net Profit stood at QAR 1 billion – both in line with the previous year.

Ooredoo continued to take the lead in digital services and network performance in Qatar with a number of significant upgrades. These included the addition of the Category 9 LTE-Advanced standard to its mobile network, deploying multiple 4G frequency bands to support download speeds of up to 325Mbps.

The company also launched a new 1Gbps Fibre plan during the period, the fastest home internet service in Qatar, and the high-end “Platinum HomeZone” service, which offers full Wi-Fi Internet coverage for customers with large villas and mansions.

Ooredoo pursued its strategy of positioning itself as the leading integrated ICT provider in Qatar, providing support to Qatari organizations and enterprises including Qatar Rail and Qatar Chamber of Commerce and Industry. Ooredoo Qatar is building the region’s first 5G research and development centre in Doha in collaboration with a number of global technology leaders.

#### **Ooredoo Oman**

Ooredoo Oman delivered strong results for the first half of the year, with improvement in Revenue, EBITDA and Net Profit. Ooredoo’s high quality, modern network attracted 2.8 million customers, an increase of 3% year-on-year.

Revenue increased by nearly 9% to QAR 1.3 billion, compared with QAR 1.2 billion in H1 2015, driven by both mobile and fixed data revenue. EBITDA also increased, up 7% to QAR 695 million (H1 2015: QAR 648 million) due to higher revenue and EBITDA margin remained stable at 54%. Net Profit increased by 12% to QAR 236 million from QAR 210 million in H1 2015.

#### **Ooredoo Kuwait**

Revenue for H1 2016 was up 9% to QAR 1.2 billion compared to H1 2015’s QAR 1.1 billion. EBITDA stood at QAR 257 million, up 3% versus EBITDA for H1 2015 of QAR 250 million with a stable EBITDA margin of 21%. Net Profit was QAR 26 million compared to QAR 55 million for the same period in 2015. Ooredoo’s customer base in Kuwait was 2.5 million at the end of H1 2016, in line with the first half of last year.

#### **Asiacell - Iraq**

Asiacell continued to be impacted by the security situation, the challenging economic environment and a decrease of customer purchasing power in Iraq. Revenue stood at QAR 2.1 billion, down 15% compared with QAR 2.5 billion in H1 2015. EBITDA remained relatively stable at just over QAR 1 billion, a 3% decrease compared to H1 2015 and EBITDA margin improved to 48% from 42% in H1 2015 due to Asiacell’s successful cost reduction strategy. Net Profit increased by more than 18% to QAR 74 million.

Asiacell’s customer base remained relatively stable at 10.8 million, approximately in line with the previous year. Asiacell continues to see an increase in data revenue following its launch of 3G services in 2015, in a market still largely driven by voice services. During the period, Asiacell enhanced its sales channels to drive the penetration of data services and continues to make progress in recovering its network in liberated areas.

## North Africa

### **Ooredoo Algeria**

Ooredoo's customer base in Algeria for the six months at 30 June 2016 was 13.4 million, up 1% against H1 2015. The Algerian Dinar depreciated significantly compared with the same period last year, affecting the reported results. Revenues for H1 2016 were QAR 2 billion, in-line with the same period in 2015. EBITDA for H1 2016 was QAR 693 million, a decrease of 6% on QAR 736 million for the same period in 2015 although EBITDA margin improved to 38% from the 36% of H1 2015. Net Profit for H1 2016 was QAR 190 million compared to a Net Profit of QAR 40 million for the same period in 2015. The benefit of Ooredoo Algeria's re-financing of its debt from US Dollar to Algerian Dinar undertaken in Q3 2015 has positively contributed to current year net profits. Post period, Ooredoo Algeria finalised the pre-launch phase for 4G services with new Algerian network speed records during trials in July 2016.

### **Ooredoo Tunisia**

Ooredoo's Tunisia customer base was 7.6 million at the end of H1 2016, an increase of 4% on the same period in 2015. The Tunisian economy is still suffering from a slowdown in tourism and the QAR results are impacted by the depreciation of the Tunisian Dinar. Revenues for H1 2016 were QAR 839 million compared to revenues for the same period in 2015 of QAR 920 million. EBITDA was QAR 307 million compared to QAR 412 million for the same period in 2015. Net Profit for H1 2016 was QAR 15 million compared to QAR 105 million for the same period in 2015.

## Asia

### **Indosat Ooredoo – Indonesia**

Indosat Ooredoo delivered strong growth for the period, driven by voice and data revenue and growth in all services. Revenue increased by 7% to QAR 3.8 billion compared to QAR 3.5 billion in H1 2015. The company delivered strong EBITDA growth of 9% to QAR 1.7 billion (H1 2015: QAR 1.6 billion), with EBITDA margin also improving to 46% from the 45% of H1 2015. In local currency terms both Revenue (+10%) and EBITDA (+13%) showed double digit growth. Indosat Ooredoo reported Net Profit of QAR 135 million compared with a Net Loss of QAR 188 million in H1 2015, reflecting continued operational improvements, revenue growth and a stabilisation of the Indonesian Rupiah.

Data revenue grew by more than 50% year-on-year, driven by the greater reach of 4G services which now cover 40 cities and a population of 43 million. Indosat Ooredoo increased its customer base by 17% to more than 80 million compared with 68.5 million in the first half of 2015 with customers being attracted by its modern network and innovative product offers.

### **Ooredoo Myanmar**

Ooredoo Myanmar more than doubled its customer base (+108%) year on year to over 8 million. Ooredoo Myanmar continued to drive penetration of data devices in the market with the launch of additional affordable 3G handsets, supported by the increased coverage of Ooredoo's data network, which now covers more than 85% of the population. Confirming its data leadership in Myanmar, Ooredoo became the first operator to launch 4G services in May 2016.

The company continued to deliver strong revenue growth, up 41% to QAR 717 million from QAR 510 million in H1 2015 driven by the continued growth of Ooredoo Myanmar's data business. EBITDA stood at a negative QAR 3 million compared with a negative EBITDA of QAR 18 million in H1 2015. The appreciation of the local Myanmar currency against the USD during H1 2016 positively impacted Ooredoo Myanmar. Net Profit was QAR 79 million for the period compared to a Net Loss of QAR 302 in H1 2015.

Ooredoo's H1 2016 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

# Press release

The Ooredoo logo consists of the word "ooredoo" in a lowercase, sans-serif font. Each letter is contained within a red circle, and the circles are arranged in a slightly overlapping, horizontal line.

***For further information:***

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**About Ooredoo**

Ooredoo is a leading international communications company delivering mobile, fixed, broadband internet and corporate managed services tailored to the needs of consumers and businesses across markets in the Middle East, North Africa and Southeast Asia. As a community-focused company, Ooredoo is guided by its vision of enriching people's lives and its belief that it can stimulate human growth by leveraging communications to help people achieve their full potential. Ooredoo has a presence in markets such as Qatar, Kuwait, Oman, Algeria, Tunisia, Iraq, Palestine, the Maldives, Myanmar and Indonesia. The company was named "Most Innovative Company of the Year – MEA Region" at the 2015 International Business Awards.

The company reported revenues of USD 8.8 billion in 2015 and had a consolidated global customer base of 117 million customers as of 31 December 2015. Ooredoo's shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.