

Ooredoo Group

FY 2014 Results



Disclaimer

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- Ooredoo Group management wishes to further caution the reader that forward-looking statements are not historical facts and are only estimates or predictions. Actual results may differ materially from those projected as a result of risks and uncertainties including, but not limited to:
 - Our ability to manage domestic and international growth and maintain a high level of customer service
 - Future sales growth
 - Market acceptance of our product and service offerings
 - Our ability to secure adequate financing or equity capital to fund our operations
 - Network expansion
 - Performance of our network and equipment
 - Our ability to enter into strategic alliances or transactions
 - Cooperation of incumbent local exchange carriers in provisioning lines and interconnecting our equipment
 - Regulatory approval processes
 - Changes in technology
 - Price competition
 - Other market conditions and associated risks
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Contents

- **Results review**
- Strategy review
- Operations review

Record number of 107 million customers

Milestone of 100 million customers achieved in Nov 2014. Strong growth in Indonesia, Iraq, Kuwait, Algeria and Myanmar

Group revenue declined by 2%

- Strong performances in Algeria, Qatar and Oman were offset by competitive dynamics and challenging economic environments in Indonesia, Iraq, Kuwait and Tunisia. FX had a negative impact on Indosat revenue

EBITDA of QAR 12.9 billion and EBITDA margin of 39%

- Continued strategic investment into its broadband networks, global brand roll-out and customer acquisition costs. Aggressive price competition in Iraq, Myanmar start-up costs, Indonesian currency depreciation and the Iraqi security situation impacting EBITDA.
- Excluding Indonesian Foreign Exchange, Myanmar start-up costs and one-off customer acquisition costs in Algeria, EBITDA would have decreased by 5% compared to the reported 12% reduction. Excluding these three items, Net Profit to Ooredoo shareholders for the FY 2014 would have decreased by 8% and for Q4 2014 by 22%.

Investment in networks and services to drive data revenue

- Myanmar network roll out, launch of 4G in five markets, U900 network modernization in Indonesia
- Asiacell secured a 3G licences in December 2014 and launched 3G services in January 2015
- FY 2014 data revenue represented 25% of Group revenue due to Ooredoo's strategy to increase smart phone penetration, deliver innovative new bundles and data offers for customers
- Group B2B revenue amounted to more than QAR 4.5 billion for FY 2014; B2B customer numbers up 25%

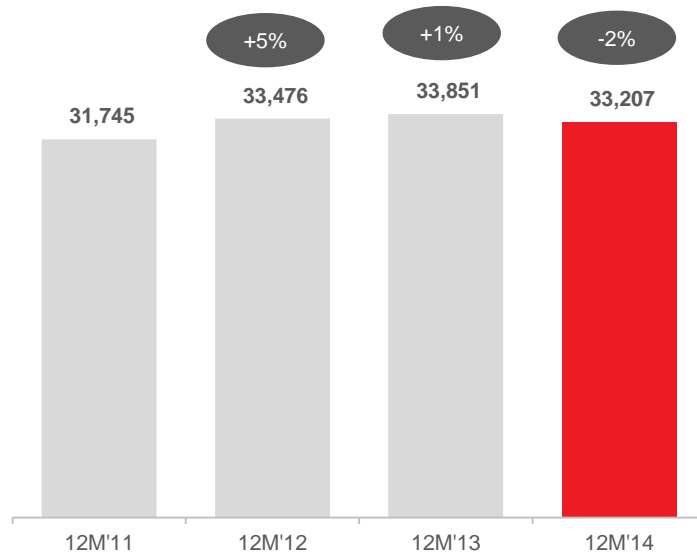
Ooredoo global brand

- Now adopted by seven Ooredoo operators: Qatar, Algeria, Maldives, Tunisia, Myanmar, Kuwait and Oman

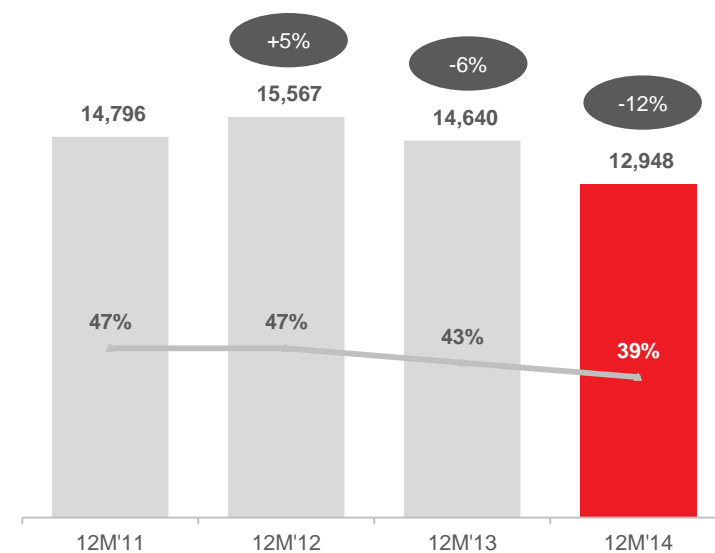
Group results¹

Revenue and EBITDA

Revenue (QARm)



EBITDA (QARm) and EBITDA Margin



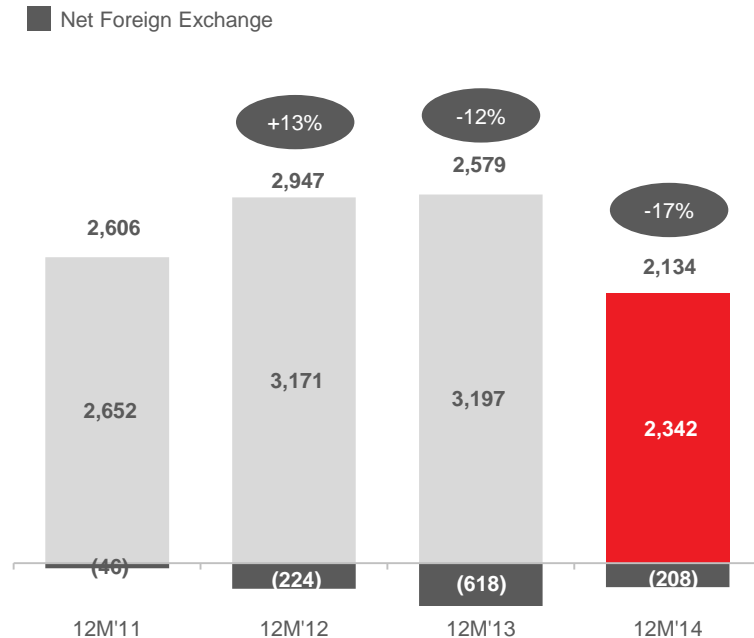
Strong revenue performances in Qatar, Oman, Algeria; challenging market conditions persist in Indonesia, Kuwait, Tunisia and Iraq
EBITDA margin impacted by competitive pressure, FX, economic environment and Myanmar start up cost

Note: (1) All Indosat results as reported adhere to IFRS which may in some instances differ from INDOGAAP;

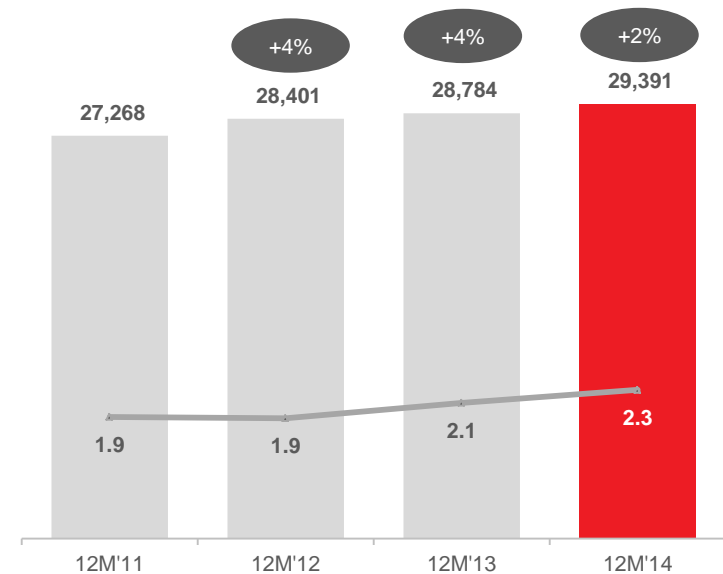
Group results

Net profit and Net Debt ¹

Net profit attributable to Ooredoo shareholders (QARm)



Net debt¹ (QARm) and net debt / EBITDA



NP affected by lower EBITDA, foreign currency impact, Myanmar start up cost and Algeria customer acquisition cost

Group leverage remains in target range of 1.5x – 2.5x Net Debt to EBITDA

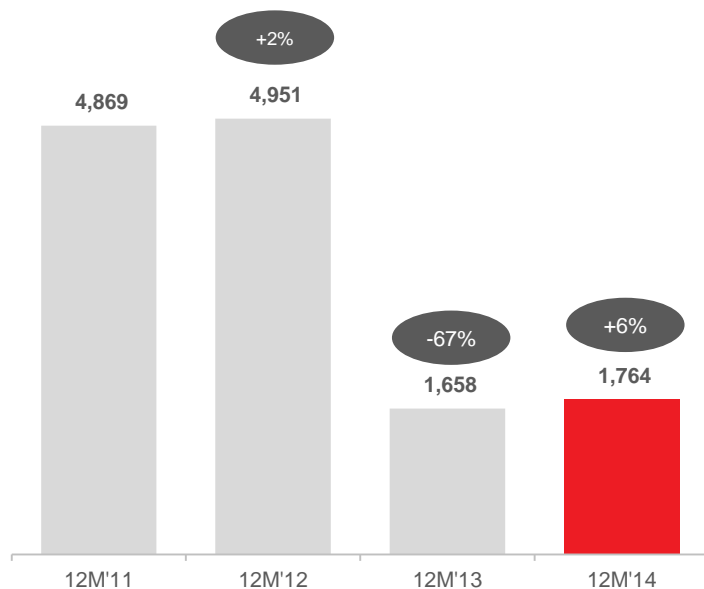
Note: (1) Net Debt = Total interest bearing loans and borrowings + contingent liabilities (letters of guarantee + letters of credit + finance lease + vendor financing) – cash (net of restricted cash and below BBB+ rating)



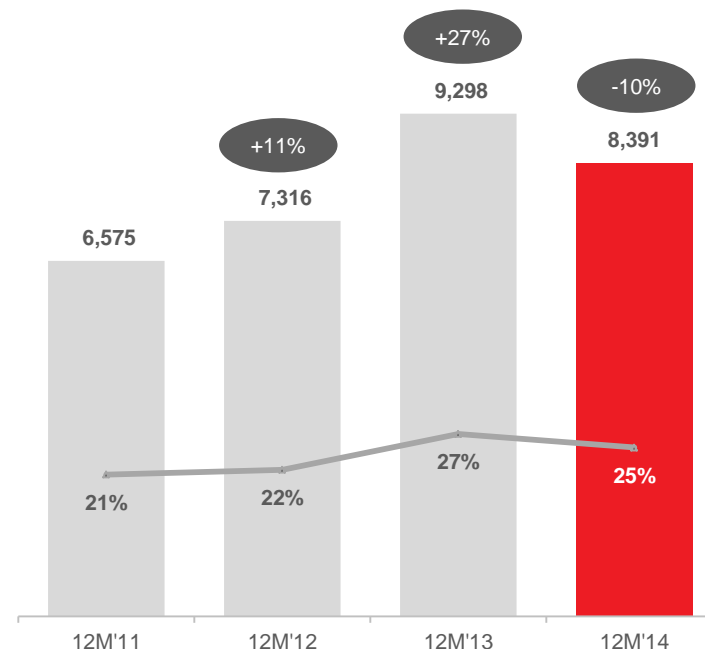
Group results

Free cash flow and capital expenditure

Free cash flow ¹(QARm)



Capex (QARm) and capex / revenue (%)



Lower EBITDA impacting FCF

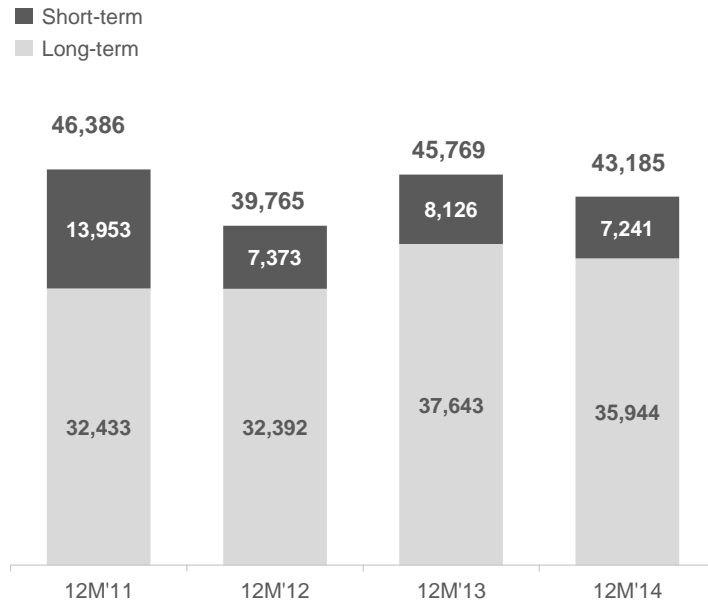
Capex below guidance range (QAR 9-10bn), delayed investment in Indonesia and Iraq

Note: (1) Free cash flow = Net profit plus depreciation and amortization less capex; Capex excludes license fee obligations; Net profit adjusted for extraordinary items

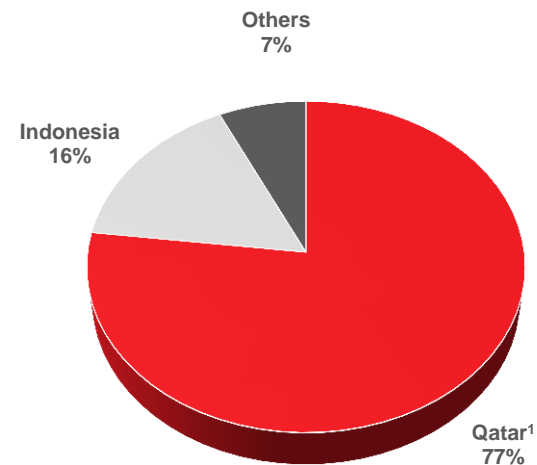
Group results

Total group debt breakdown

Total group debt (QARm)



Total group debt breakdown
(as of December 31, 2014)

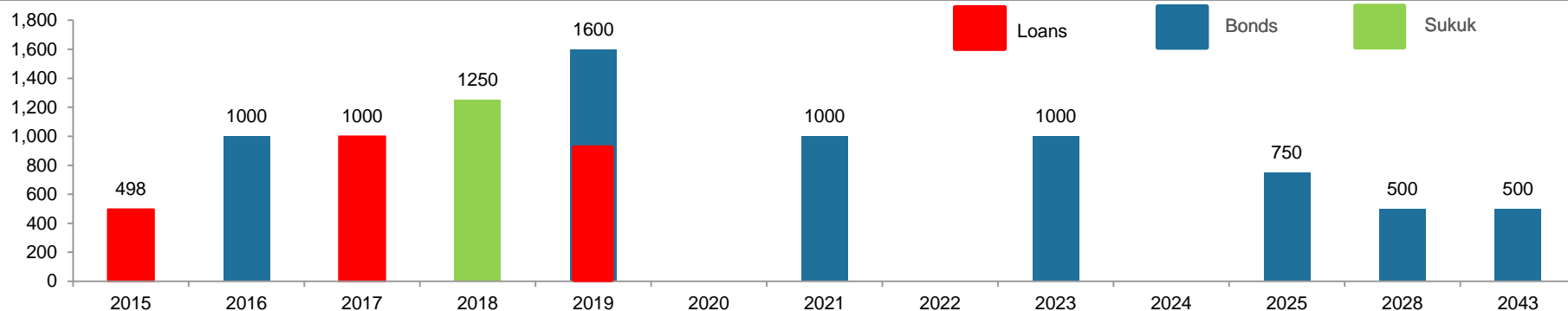


Flexible debt management and balanced debt profile

Note: (1) Includes Ooredoo International Finance Limited and Ooredoo Tamweel Ltd.

Group Results

Debt Profile – Ooredoo Q.S.C. Only (US\$ millions)

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Loan Type(in USD mn)	Amount	Usage	Rate*	Maturity
QNB Qrs. 3bn RCF	823	0	QAR rates	31 Jan 2015
Commodity Murabaha Facilities**	498	498	Libor + 95bps	18 May 2015
USD1bn RCF	1,000	1000	Libor+ 115bps	31 Mar 2017
USD1bn RCF	1,000	1,000	Libor+100bps	17 May 2019

Bonds/Sukuk (in USD mn)	Issue Amount	Interest/ Profit Rate	Maturity	Listed in
Fixed Rate Bonds due 2016	1,000	3.375%	14 Oct 2016	LSE
Fixed Rate Bonds due 2019	600	7.875%	10 Jun 2019	LSE
Fixed Rate Bonds due 2021	1,000	4.75%	16 Feb 2021	LSE
Fixed Rate Bonds due 2023	1,000	3.25%	21 Feb 2023	ISE
Fixed Rate Bonds due 2025	750	5.00%	19 Oct2025	LSE
Fixed Rate Bonds due 2028	500	3.875%	31 Jan 2028	ISE
Fixed Rate Bonds due 2043	500	4.50%	31 Jan 2043	ISE
Sukuk due 2018	1,250	3.039%	3 Dec 2018	ISE

Total Loans	3,321 m	2,498 m	Total Bonds and Sukuk	6,600 m
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Total outstanding debt as at 31 December 2014 at Ooredoo Q.S.C. level

US\$ 9,098 million

Debt profile remains well balanced

Note: * There is an additional 10bps utilization margin for the facility (fully drawn)

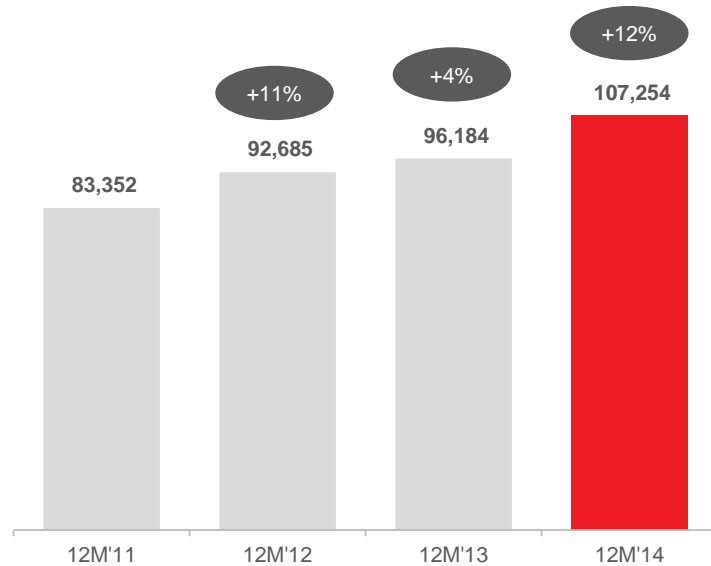
**QIB, Barwa Bank and Masraf Al Rayan USD 166mn each



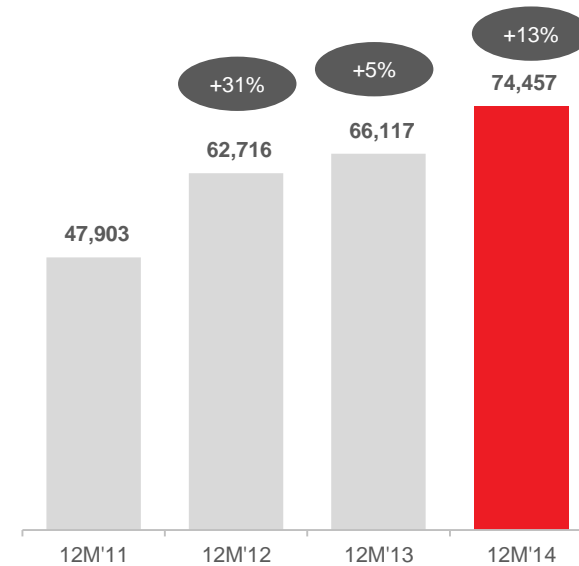
Group results

Total and proportional customers

Total customers



Proportional customers



***Strong organic customer growth driven by Indonesia, Iraq, Kuwait, Algeria
Myanmar***

Group results

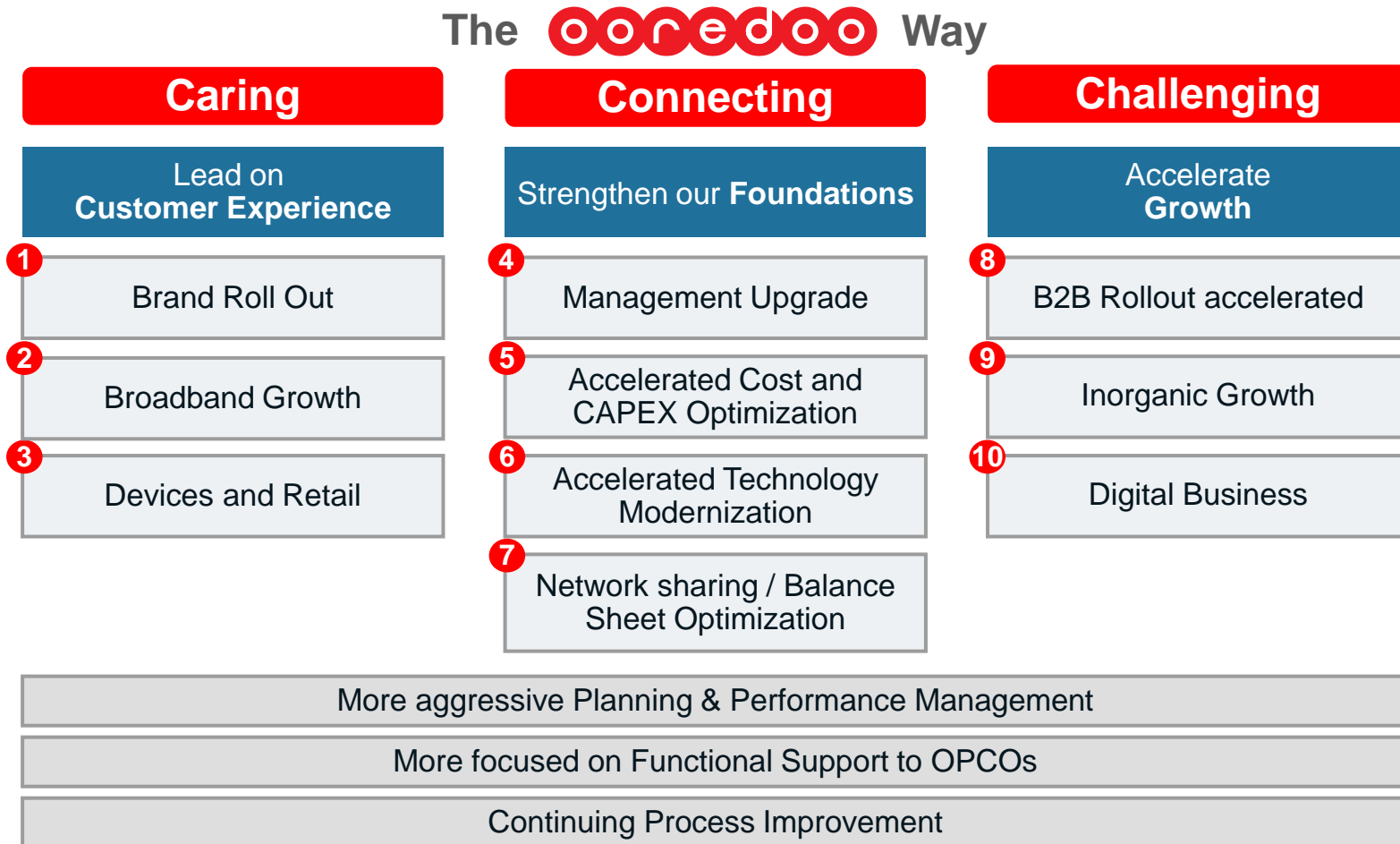
2014 performance summary and 2015 guidance

QAR Millions	12 months ended December 2014	2014 / 2013	2014 Annual Guidance	2015 Annual Guidance
Consolidated revenue	33,207	-2%	0 to +3%	0 to -3%
EBITDA	12,948	-12%	-3 to -1%	-1 to -4%
Net profit attributable to Ooredoo shareholders	2,134	-17%	-	-
Earnings per share (in Qatari Riyals)	6.66	-17%	-	-
Market capitalization (as of 31 December 2014)	39,687	-10%	-	-
Capital expenditure	8,391	-10%	9-10	8.5 to 9.5
Dividend (in Qatari Riyals)	4.00			

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- Results review
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Group & CEOs agreed strategic initiatives



Key Ooredoo achievements in 2014

Lead on Customer Experience	1 Brand Roll Out	We rebranded seven OpCos - Qatar, Algeria, Maldives, Tunisia, Myanmar, Kuwait, and Oman. Others to be announced in 2015.
	2 Broadband Growth	<ul style="list-style-type: none"> • We continue to focus on providing the best network experience: Iraqi 3G launch, Algerian 3G (3.5 mill customers), 4G+ Qatar. • We completed 4G investments in 5 of our 9 markets, and we have 25% of data traffic on 4G in these markets. • Strong data revenue growth. In 2014, data revenues represented 25% of total Group revenues. • OTT player cooperation progressing, with Whatsapp partnership in Oman and Twitter partnership in Indonesia.
	3 Devices and Retail	Ooredoo Group franchise model developed and rolled out in Myanmar, Kuwait, Oman.
Strengthen our Foundations	4 Management Upgrade	<ul style="list-style-type: none"> • Launch of our Leadership Development Program (LDP) and Business Leader Program (BLP) in partnership with top ranked international business schools • Strong progress achieved in developing 5-year succession plans for key management positions across the Group
	5 Accelerated Cost and CAPEX Optimization	<ul style="list-style-type: none"> • Achievements from OpCos in cost optimisation project continue to exceed targets. • We expect further savings and scale benefits from our partnership agreement with Telefónica on Strategic Sourcing.

Key Ooredoo achievements in 2014

Strengthen our Foundations	6 Accelerated Technology modernization	<ul style="list-style-type: none"> Technology modernization continues to deliver technical competitive advantages to our OpCos, in relation to network and IT platform performance. U900 network modernization in Indonesia well under way; to be finalized by Mid-2015.
	7 Network sharing and Balance Sheet Optimization	<ul style="list-style-type: none"> Evaluating mobile infrastructure sharing agreement; we are also sharing fibre in Indonesia and towers in Qatar Network sharing discussions continue with a number of operators, and we will continue to follow what is happening in Europe.
Accelerate Growth	8 B2B Rollout accelerated	More than QAR 4.5bn revenue in 2014 and 25% customer base growth ; 5 out of 8 B2B markets delivering double-digit revenue growth .
	9 Inorganic Growth	We launched commercially with 3G services in Myanmar in a world-first, and reached our millionth customer in under three weeks from launch.
	10 Digital Business	<ul style="list-style-type: none"> Regional online JV between Ooredoo Group and Rocket Internet (50/50) covering 15 APAC countries signed in April 2014. Backing start-up accelerator Ideabox in Indonesia and Myanmar to stimulate local mobile innovation.

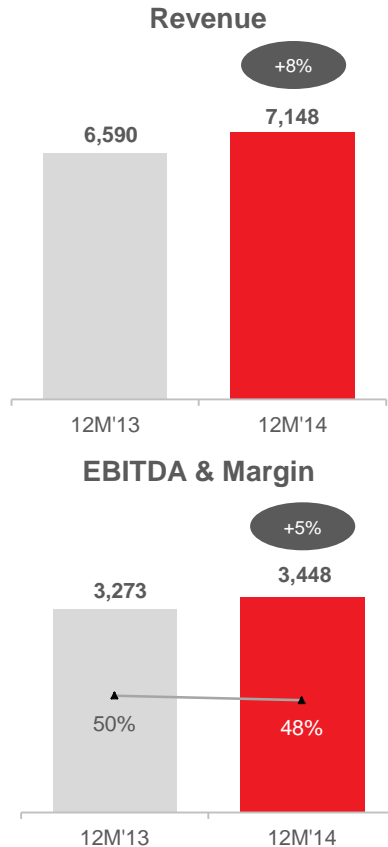
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- **Operations review**

Group operations

Qatar

QARm



• 1 US\$ = 3.6415 Qatari Riyal (QAR)¹

- Launched 4G plus (up to 225 Mbps), fastest network in Qatar
- Revenue market share stable
- Hosted global ITU fair in Doha in Dec 2014
- Baytcom, “Smart Home” demonstration centre in the Pearl
- Launched Ooredoo Smart Cloud Marketplace for B2B
- Growth areas ICT/Cloud and Mega-projects
- Further expansion of Ooredoo Fibre to the Home program:
 - 315K homes passed
 - 205K connections

Note: (1) Constant pegged currency

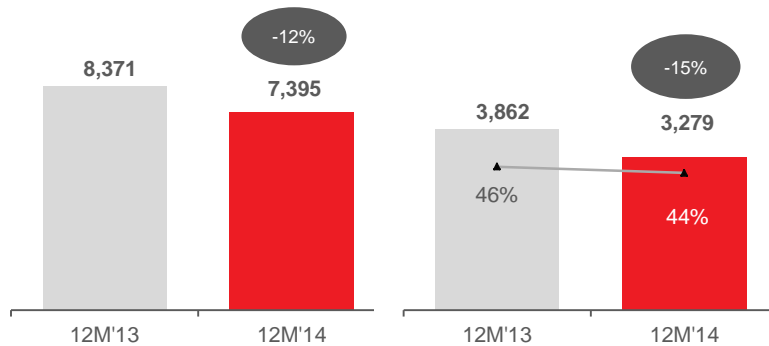
Group operations

Indonesia

QARm

Revenue

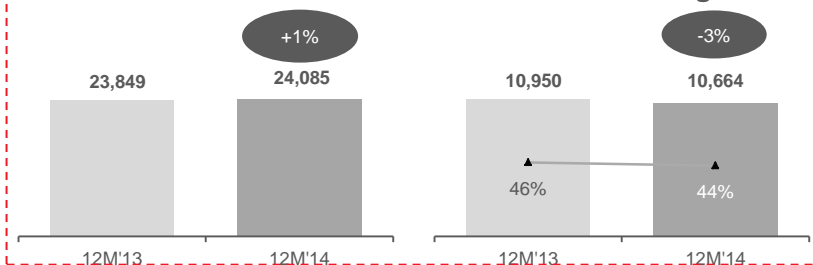
EBITDA & Margin



IDRbn¹

Revenue

EBITDA & Margin



• 1 US\$ = 11,863 Indonesia Rupiah (IDR)²

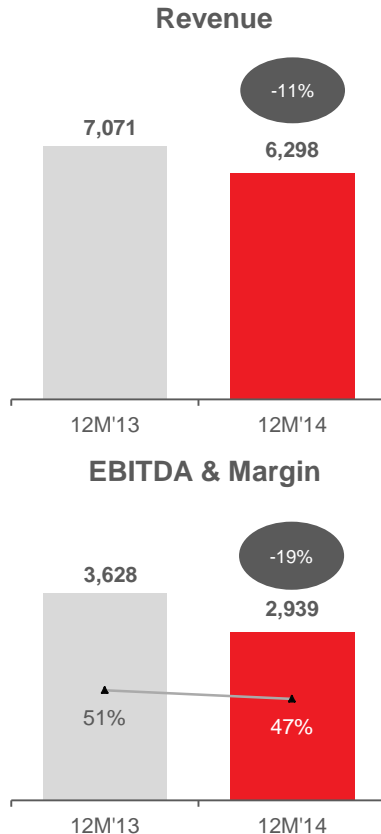
- Revenue growth in local currency in a competitive market, gaining market share
- Network modernization program ex-Java completed in Oct 2014, Java expected to be finished by Mid 2015
- Soft launch of LTE in Jakarta in Nov 2014
- Positive Quarterly revenue trend in 2014 in local currency
- Revenue impacted by continued depreciation of IDR against USD and weaker consumer sales, partially offset by higher B2B revenue
- Competition in voice and SMS is shifting to data

Note: (1) As per IFRS; (2) Twelve month average rate January – December 2014

Group operations

Iraq

QARm

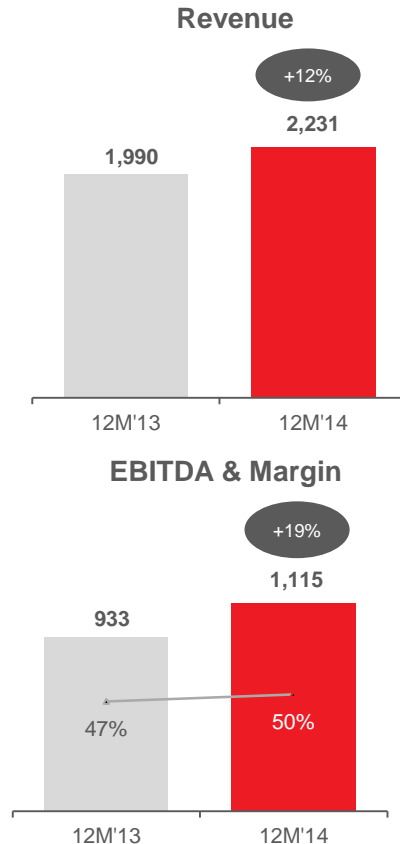


- 3G service launched on Jan 1, after acquiring service spectrum for USD 307 million
- More than 12.3 million customers following offers in a very competitive market, gaining market share
- Security situation difficult. Network suspended in parts of Mousel, Salahaldin, Anbar, and Tikrit
- Maintaining position as market leader of revenue share
- EBITDA and ARPU remain under pressure as a result of competition.
- CBiO (Charging & Billing in One) project significantly enhancing customer satisfaction level

Group operations

Oman

QARm



• 1 US\$ = 0.38463 Omani Rial (OMR)¹

- Successfully launched the Ooredoo brand in Oct'14
- Growth is driven by increases in both mobile and fixed data revenue as well as international voice revenue.
- LTE roaming launched in the region
- Stable ARPU
- Total customers up by 8% yoy
- Net profit increase partially offset by the investment in network modernization and expansion and rebranding cost (especially in Q4)

Note: (1) Constant pegged currency

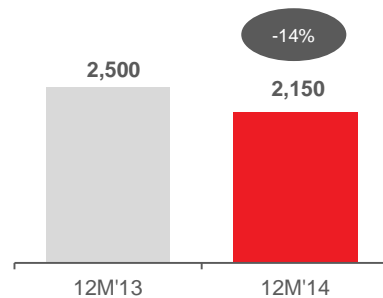


Group operations

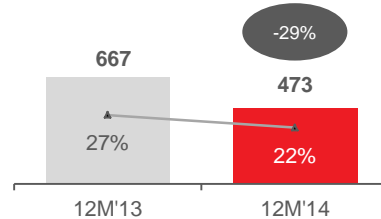
Kuwait

QARm

Revenue

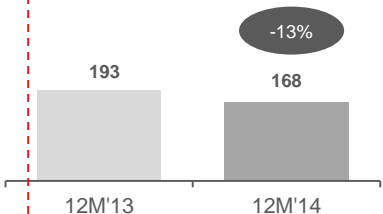


EBITDA & Margin

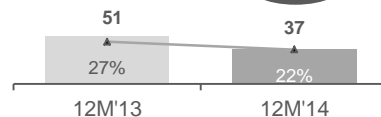


KWDm

Revenue



EBITDA & Margin



• 1 US\$ = 0.2847 Kuwait Dinar¹

Note: (1) Twelve month average rate January – December 2014

- Customer number up by 25% yoy. Gaining majority of new customers albeit in lower value segments/ pre paid
- MNP trend successfully reversed in Q4 , more port in than port out
- Yearly data revenues in 2014 represented 32% of total revenues compared to 22% in 2013.
- EBITDA margin in Q4 improved sequentially due to cost optimization
- iPhone 6 & iPhone 6 Plus successfully launched with Shamel rate plans (voice minutes roll over and data sharing)
- Strengthening of retail channel continues
- Chairman and board members for a Regulator have been appointed in Oct 2014
- MOC case has been ruled in favor of Ooredoo Kuwait in January 2015

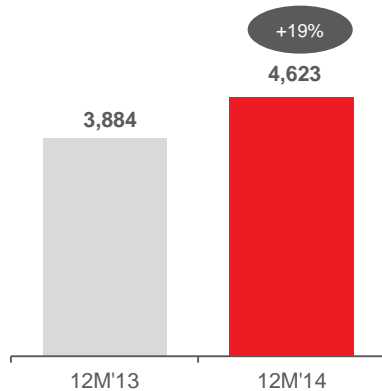


Group operations

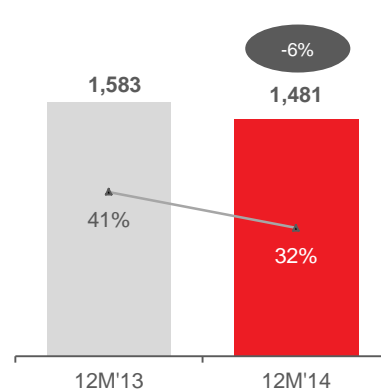
Algeria

QARm

Revenue

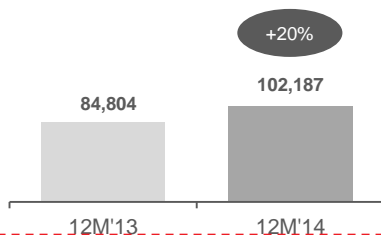


EBITDA & Margin

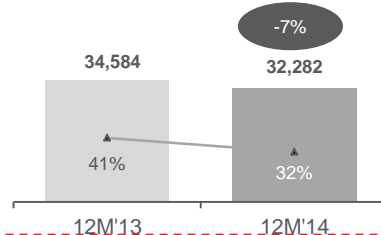


DZDm

Revenue



EBITDA & Margin



• 1 US\$ = 80.5 Algerian Dinar (DZD)¹

- Strong revenue growth mainly driven by 3G leadership and very solid data revenue uptake, customer numbers up 28% yoy
- Yearly data revenues almost doubled in 2014, market leader in data
- Q4 2014 EBITDA impacted by higher cost of equipment coming from the very successful 3G promos
- Q4 2014 Net Income negatively affected by the EBITDA drop and FX loss.
- Successful launch in the new six mandatory Wilayas as part of the second year 3G rollout.

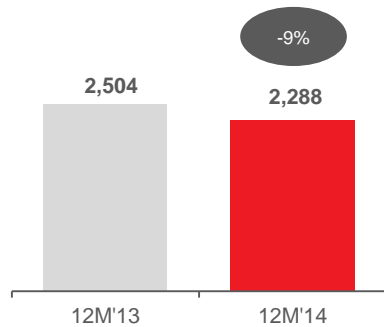
Note: (1) Twelve month average rate January – December 2014

Group operations

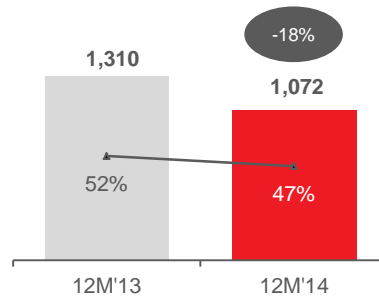
Tunisia

QARm

Revenue

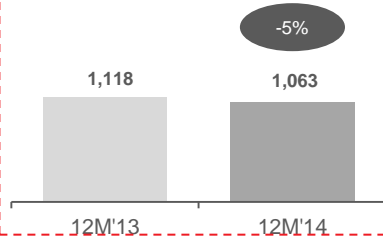


EBITDA & Margin

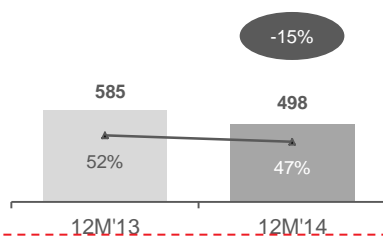


TNDm

Revenue



EBITDA & Margin



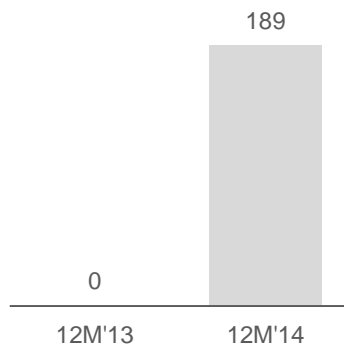
• 1 US\$ = 1.698 Tunisian Dinar (TND)

- Intensive price war continues and has driven down the price per minute
- Data growth continues strong trend as Ooredoo takes further share in small and large screen segments
- B2B segment continuing to show strong gains as converged offering takes hold in enterprise segment
- Overall telecom market expected to have declined an estimated 4% in 2014

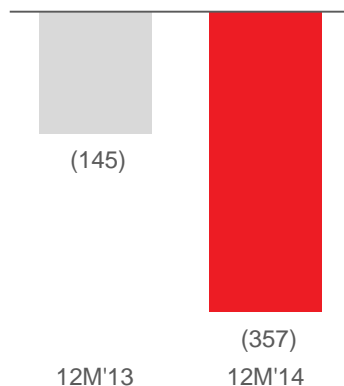
Note: (1) Twelve month average rate January – December 2014

QARm

Revenue



EBITDA



- Rapid rollout continues - reached 25 million people in >160 townships, almost half of the Myanmar population
- 100% next generation UMTS900/ 2100 network providing customers crystal clear voice and fast internet, attracting a data focused customer base. More than 80% of our 2.2. million customers using smartphones
- ARPU above USD 7 incl. significant data share.
- More than 85% of our approx. 1,000 staff members local

Save the date: May 25 in Doha



Ooredoo Capital Markets Day

Details tbc

Registration via Ooredoo IR team:

salsayed@ooredoo.com





Q&A

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Upcoming
events

2015 Q1 Results – end of April TBD

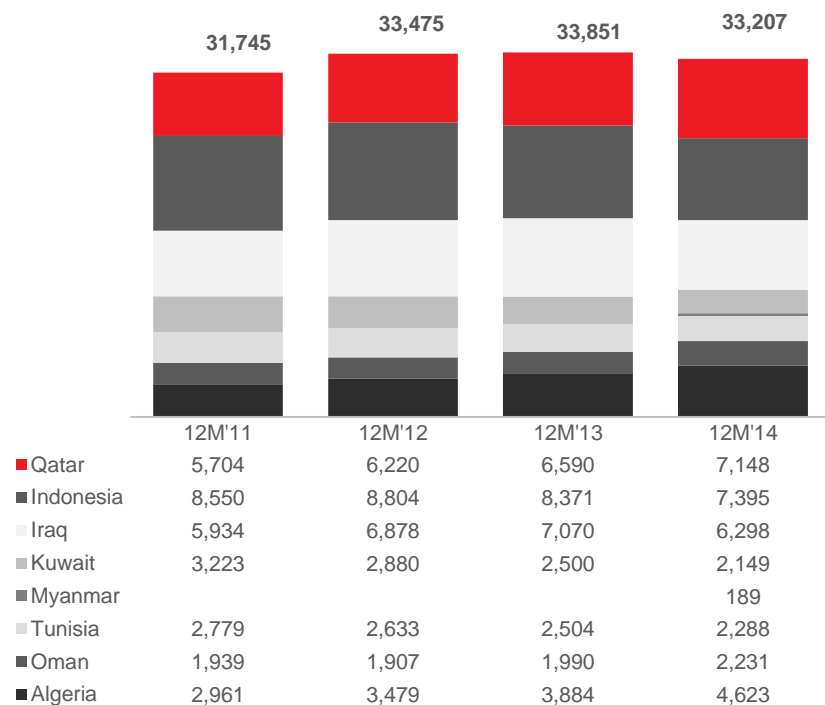
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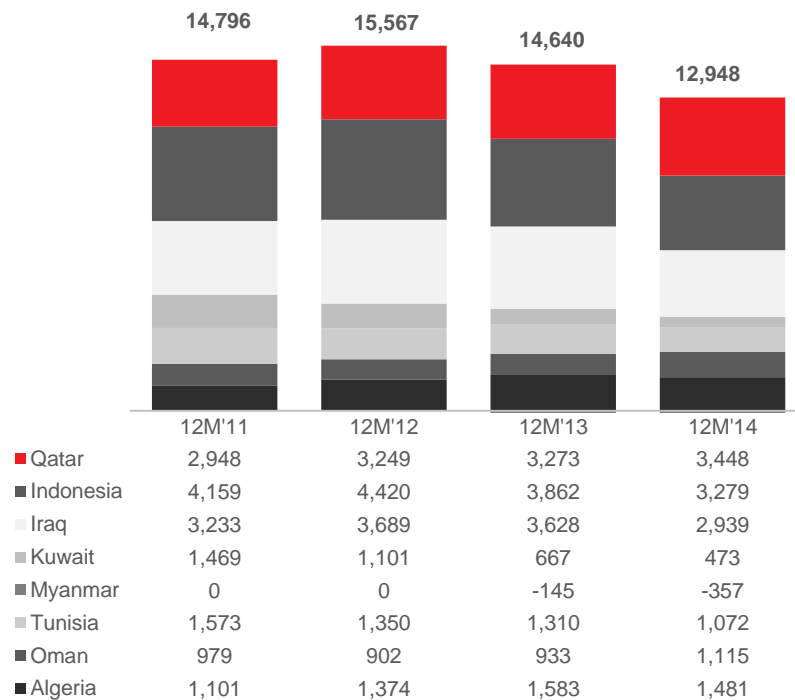
Additional information

Key operations importance to Group

Revenue (QARm)



EBITDA (QARm)

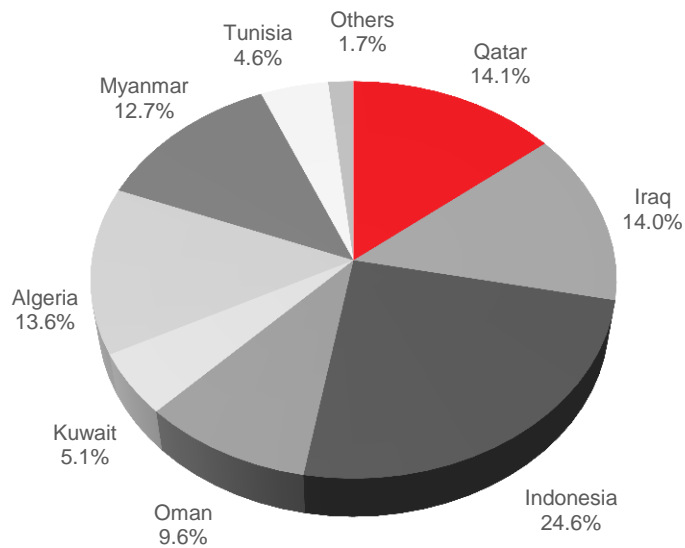


Note: Tunisiana is 50% consolidated up to December 2010 and fully consolidated from 2011

Additional information

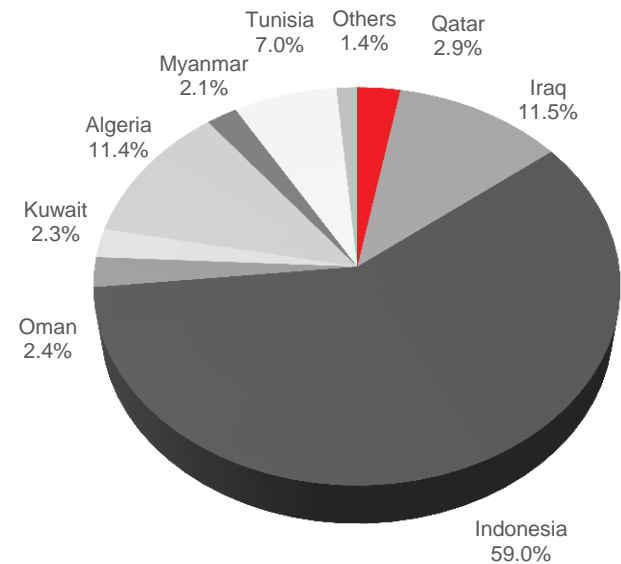
Key operations importance to Group

Capex



2014 Capex = QAR 8,391 m

Total Customers

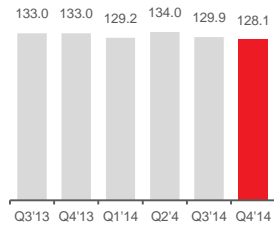


2014 Total Customers = 107 m

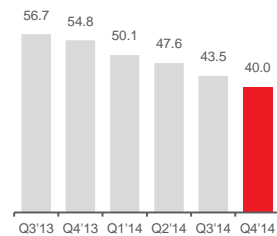
Additional information

Blended ARPU development (QAR)

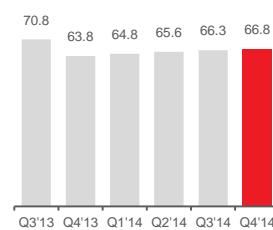
Qatar



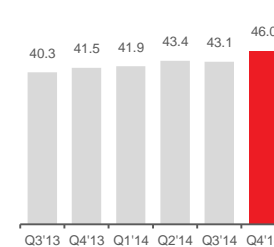
Iraq



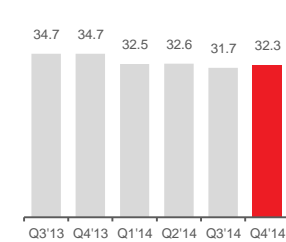
Oman



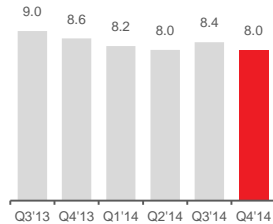
Maldives



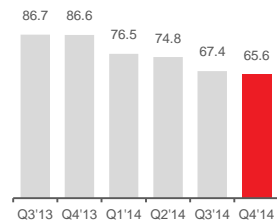
Palestine



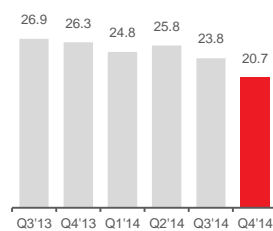
Indonesia



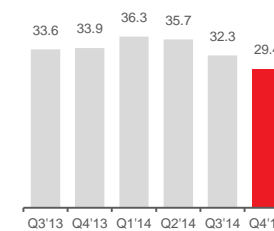
Kuwait



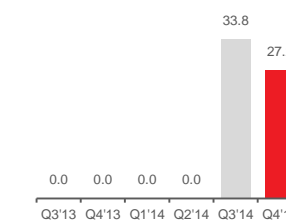
Tunisia



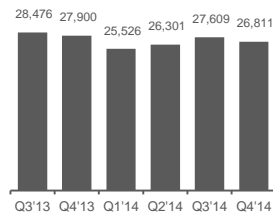
Algeria



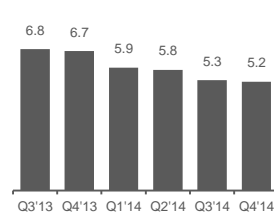
Myanmar



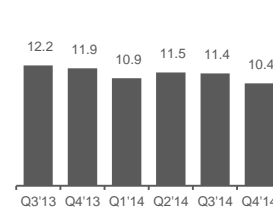
IDR



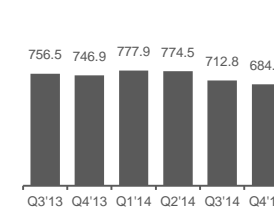
KWD



TND



DZD





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