

Ooredoo Group

1H 2016 Results

27 July 2016



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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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Group Results

2016 1H Highlights

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Global customer base further expanded

- Ooredoo Group customer base increased by 14% to 130 million; driven by strong growth in Indonesia and Myanmar

Solid performance delivered

- 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.



Group Results

2016 1H Highlights - continued

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Strategic investments into networks & data / B2B

- 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: launch of 4G services in Myanmar (May 2016) and pre-launch phase finalized in Algeria (July 2016). 4G networks now available in 8 of Ooredoo's 10 markets.
- B2B revenue increased by 5% to QAR 2.8 billion reflecting Ooredoo's ongoing investment in services for business customers
- Ooredoo Kuwait acquisition of "FASTtelco", a Kuwait based ISP, to offer advanced fixed broadband and mobile services finalized in May 2016.

Successful new funding at attractive cost

- New USD 500 million 10 year 3.75% p.a. bond successfully concluded in June 2016
- New USD 1 billion Revolving Credit Facility Agreement with a six years tenor signed in June 2016

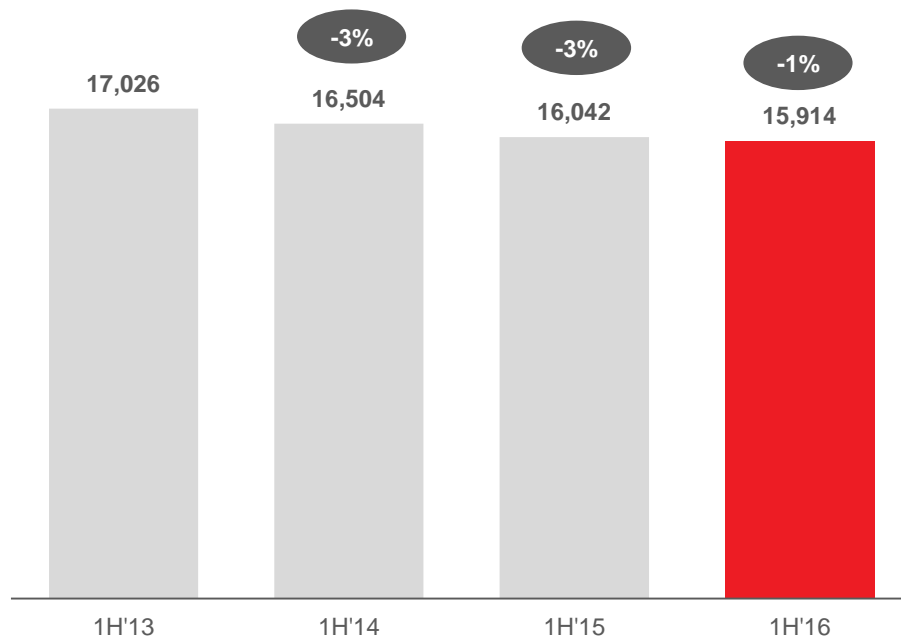


Group Results

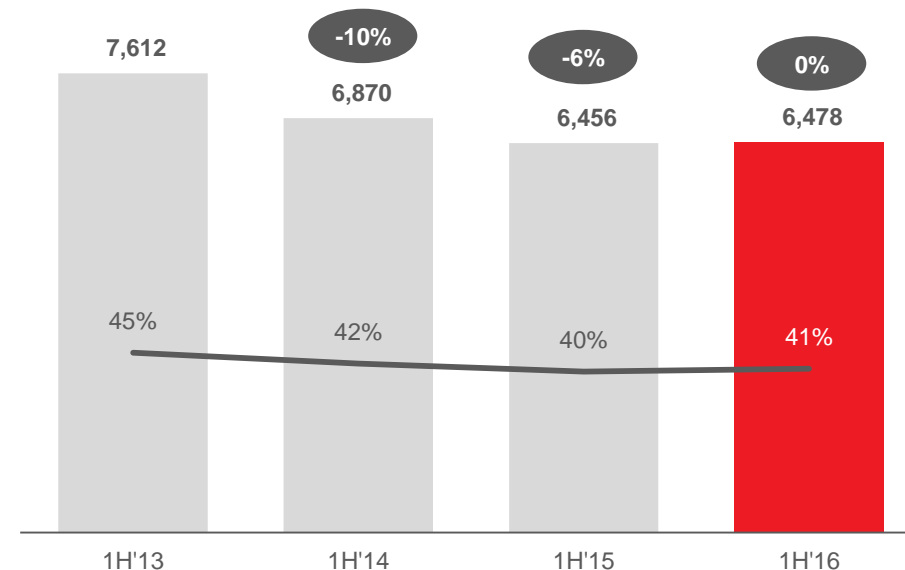
Revenue and EBITDA

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Revenue (QARm)



EBITDA (QARm) and EBITDA Margin



Revenue growth in local currency terms in the majority of markets offset by challenging environment in Iraq & Tunisia; EBITDA margin improved to 41% excluding FX impact: revenue up 2% and EBITDA up 3%

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



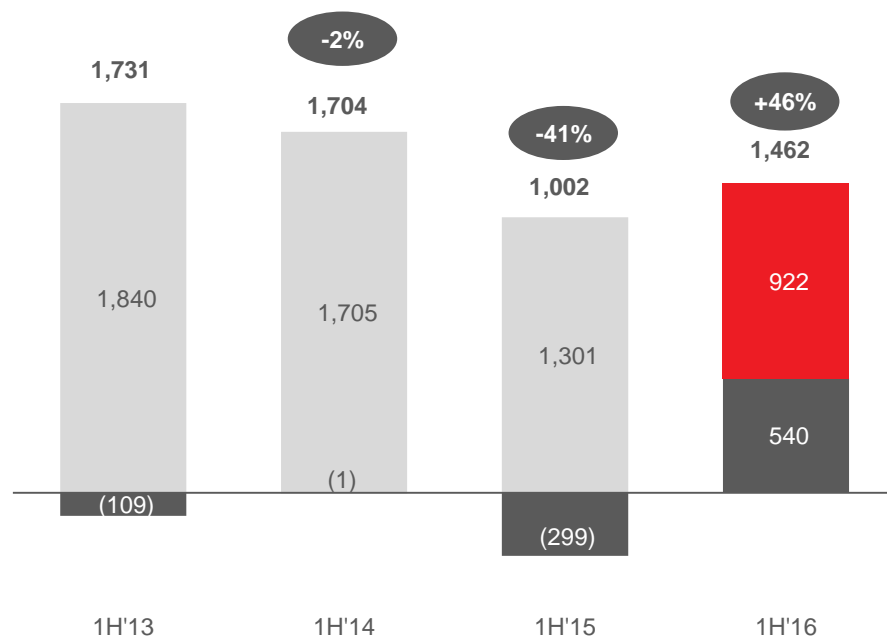
Group Results

Net Profit and Net Debt

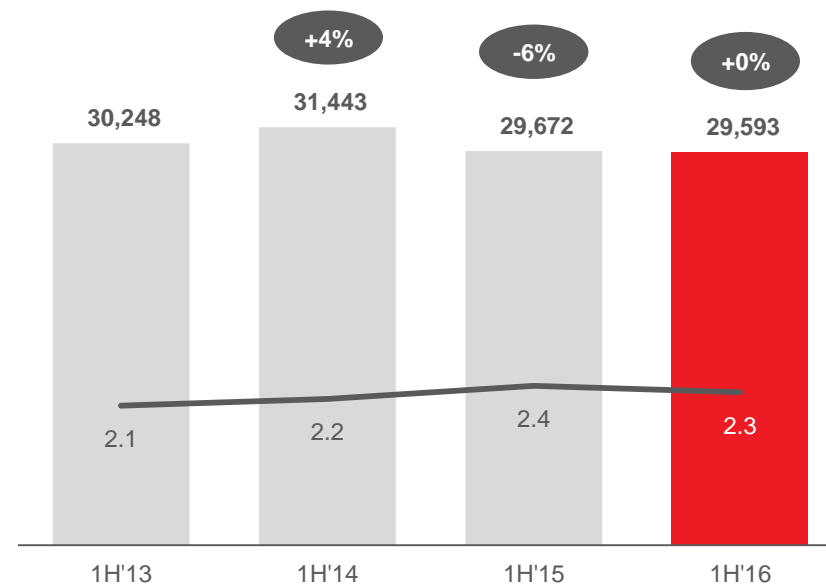
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Net Profit Attributable to Ooredoo Shareholders (QARm)

■ Net Foreign Exchange



Net Debt (QARm) and Net Debt/EBITDA



Net Profit positively impacted by Indonesia, Myanmar and Algeria
Net Debt / EBITDA improving

Note: 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)

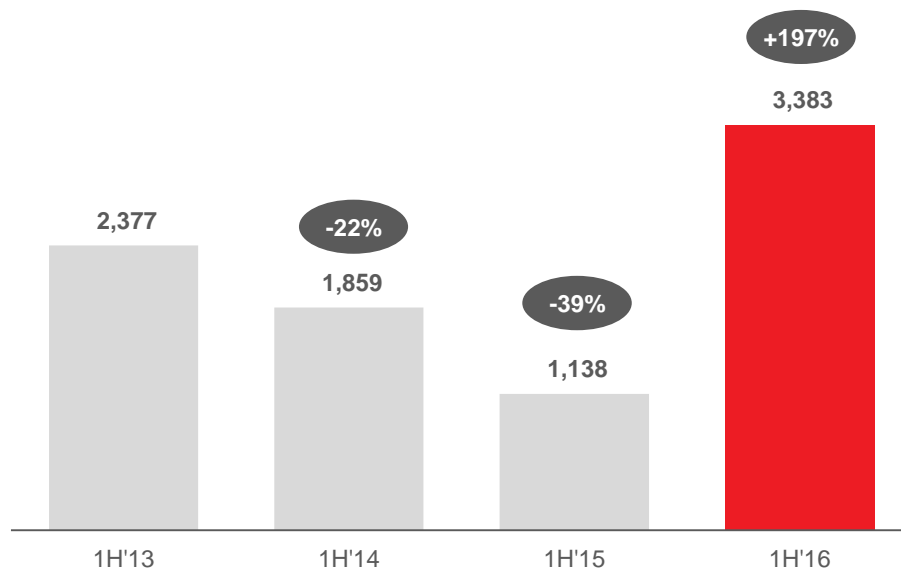


Group Results

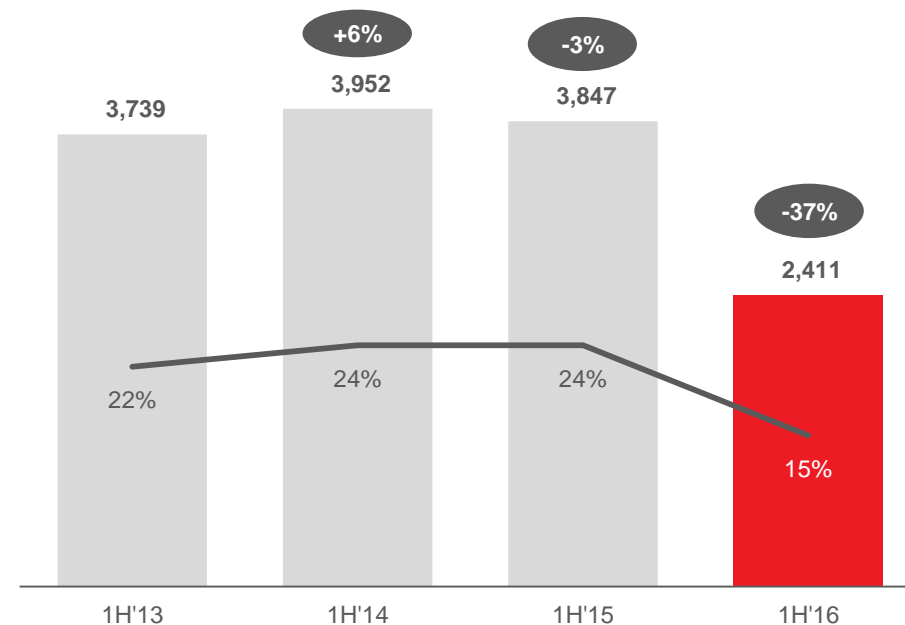
Free Cash Flow and Capital Expenditure

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Free Cash Flow (QARm)



CAPEX (QARm) and CAPEX/Revenue (%)



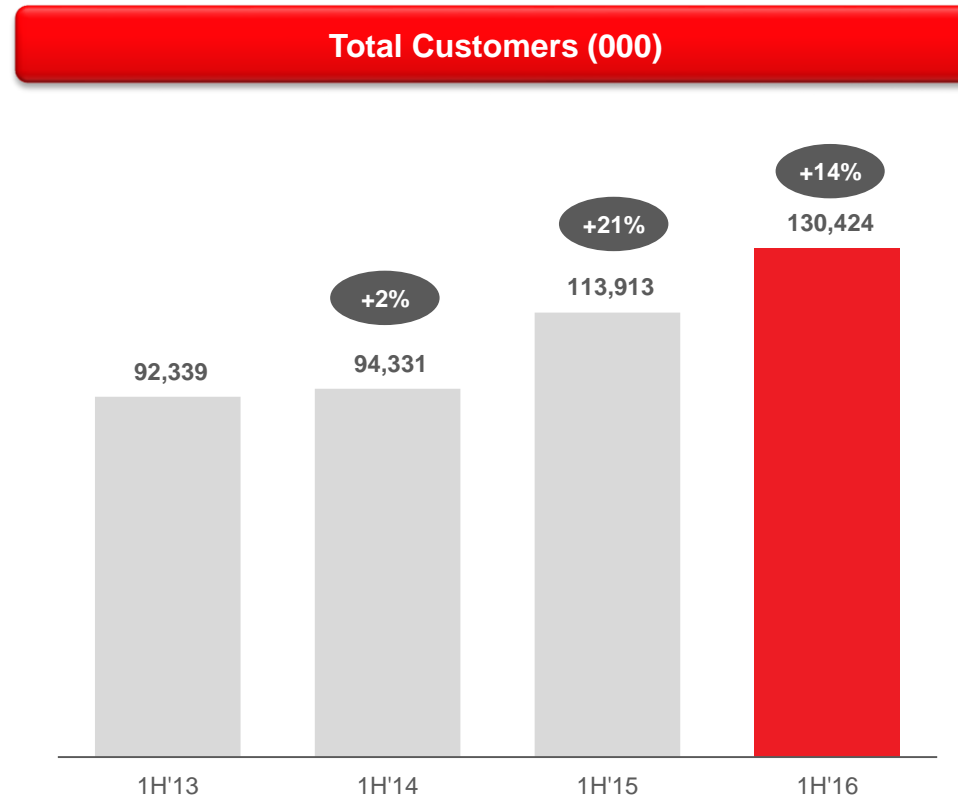
*Free CF benefitted from reduced Capex and FX trends
Capex investments taking advantage of scale of Ooredoo Group*

Note: Free Cash Flow = Net Profit plus Depreciation & Amortization less CAPEX; CAPEX excludes license fee obligations; Net Profit adjusted for extraordinary items



Group Results

Total Customers

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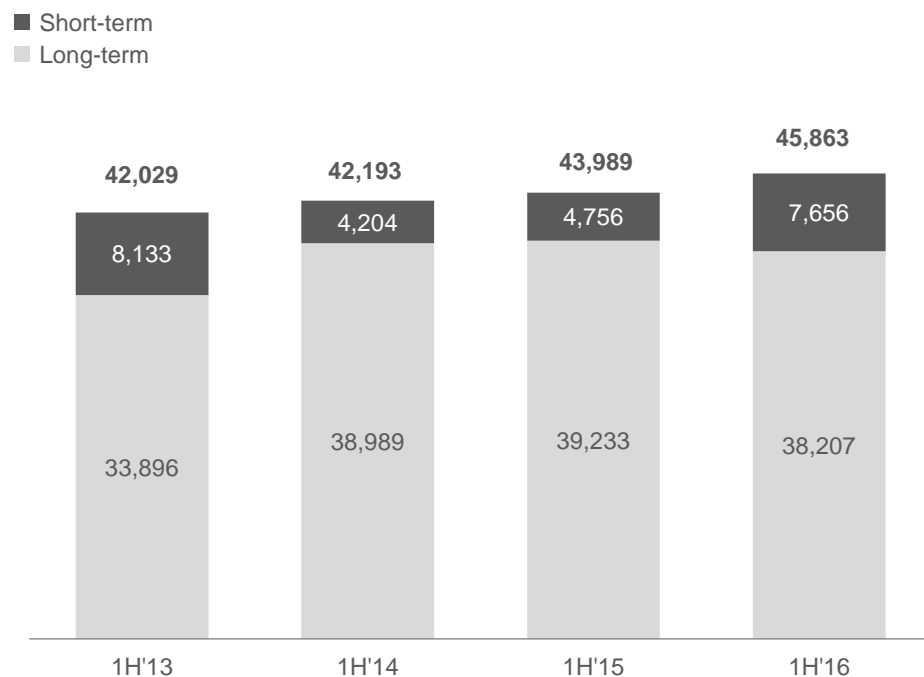
***Strong customer growth year on year, mainly from Indonesia and Myanmar
Gained almost 17 million net new customers YoY***

Group Results

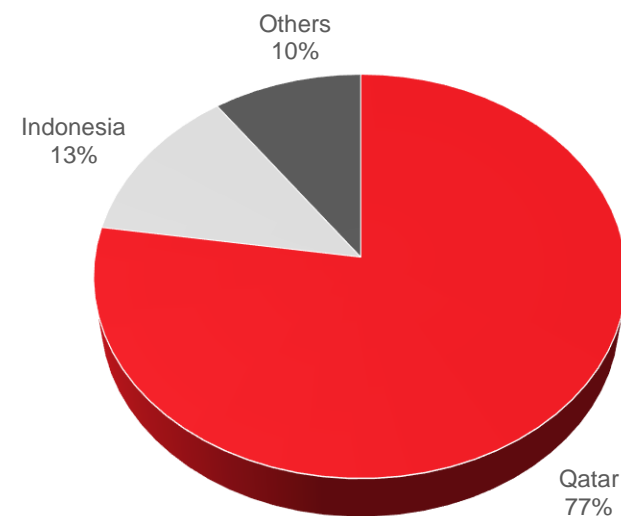
Total Group Debt Breakdown

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Total Group Debt (QARm)



Total Group Debt Breakdown (as of June 30, 2016)



***Total Group debt temporarily slightly higher due to new USD 500m bond
Refinancing requirements have been proactively addressed***

Note: Qatar debt includes Ooredoo International Finance Ltd. and Ooredoo Tamweel Ltd.



Ooredoo (Q.S.C)

Successful funding transactions

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USD 500mn 10 year RegS / 144a Bonds

Issuer	Ooredoo International Finance Limited
Guarantor	Ooredoo Q.S.C
Status	Senior Notes
Rating	A+ (Fitch) / A2 (Moody's) / A- (S&P)
Format / Instrument	Rule 144A / Regulation S
Currency and Size	USD 500m
Pricing / Settlement Date	15 June 2016 / 22 June 2016
Maturity Date	22 June 2026
Coupon	3.750% p.a.
Listing	Irish Stock Exchange
Joint Lead Managers and Book runners	Australia and New Zealand Banking Group Limited, Citigroup Global Markets Limited, DBS Bank Ltd., HSBC Bank plc, Merrill Lynch International, Mitsubishi UFJ Securities International plc, Mizuho Securities USA Inc. and QNB Capital LLC
Roadshows	Abu Dhabi, Dubai, Hong Kong, Singapore, New York, Boston and London

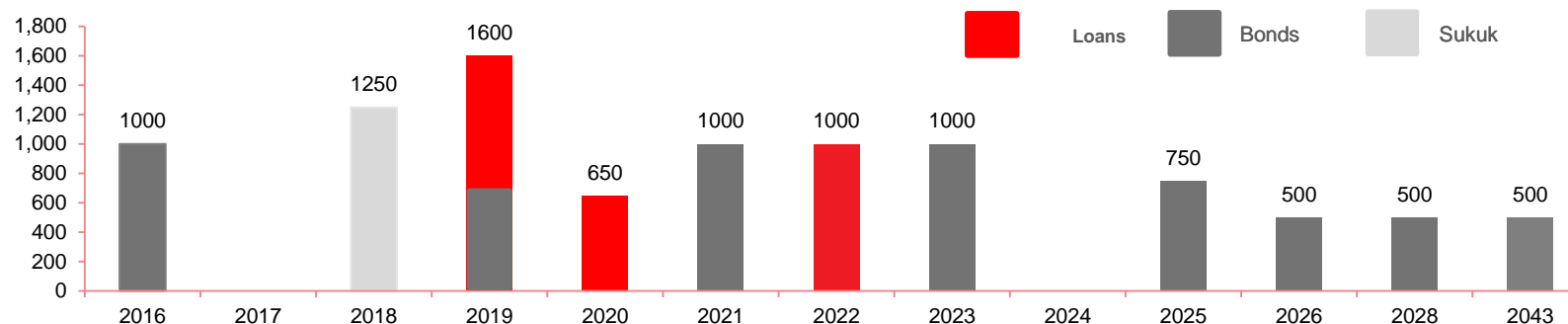
USD 1 billion Revolving Credit Facility (RCF)

Arrangers	Qatar National Bank S.A.Q., Australia and New Zealand Banking Group Ltd., Bank of America Merrill Lynch International Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Citibank, N.A., London Branch, DBS Bank Ltd, HSBC Bank Middle East Ltd., Mizuho Bank
Facility Agent	QNB
Tenor	Six years from June 2016
Proceeds	Repayment of previous USD 1bn RCF due in March 2017



Group Results

Debt Profile – Ooredoo Q.S.C. level

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Loan Type (in USD mn)	Amount	Usage	Rate*	Maturity	Bonds/Sukuk (in USD mn)	Issue Amount	Interest/ Profit Rate	Maturity	Listed in
QAR3bn RCF	824	0	QAR Money Market	31 Jan 2017	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
USD1bn RCF	1,000	1,000	Libor + 100bps	17 May 2019	Fixed Rate Bonds due 2023	1,000	3.25%	21 Feb 2023	ISE
USD 500mn RCF	500	500	Libor + 100bps	06 May 2020	Fixed Rate Bonds due 2025	750	5.00%	19 Oct 2025	LSE
USD150mn Term Loan	150	150	Libor + 90bps	31 Aug 2020	Fixed Rate Bonds due 2026	500	3.75%	22 Jun 2026	ISE
					Fixed Rate Bonds due 2028	500	3.875%	31 Jan 2028	ISE
USD1bn RCF	1,000	1000	Libor + 140bps	07 Jun 2022	Fixed Rate Bonds due 2043	500	4.50%	31 Jan 2043	ISE
Sukuk due 2018						1,250	3.039%	03 Dec 2018	ISE
Total Loans	3,474	2,650			Total Bonds and Sukuk	7,100			

Total outstanding debt as at 30 June 2016 at Ooredoo Q.S.C. level

USD 9,750 million

* Fully drawn basis

Long term debt profile is well balanced



Group Results

2016 1H Performance Summary

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	1H 2016	% Change 1H 2016 / 1H 2015	2016 Annual Guidance
Consolidated Revenue (QAR bn)	15.9	-1%	-1% to +2%
EBITDA (QAR bn)	6.4	0%	-3% to 0%
Capital Expenditure (QAR bn)	2.4	-37%	6.5 bn to 7.5 bn

1H results in line with guidance given for 2016

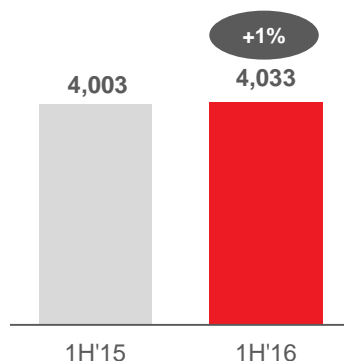


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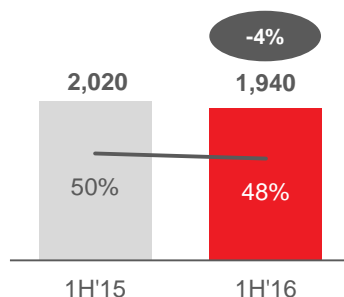
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QARm

Revenue



EBITDA & Margin



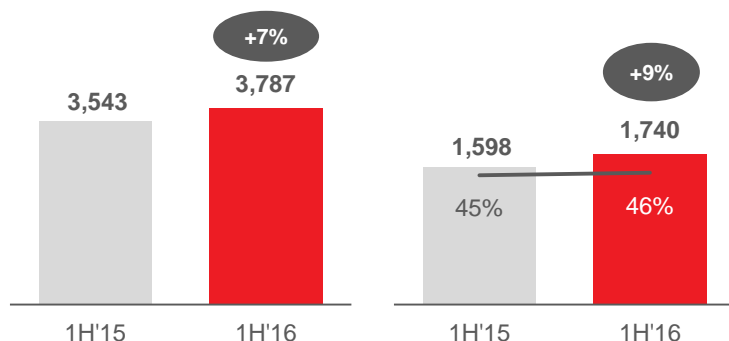
• 1 USD = 3.6415 Qatari Riyal (QAR)

- Market leadership position maintained - Ooredoo's fixed line and mobile networks in Qatar ranked among fastest globally
- Growth in revenue driven by wireless business, flat revenue in wireline
- EBITDA impacted by higher marketing cost (launch TV/ B2B campaigns) and higher share of handset sales
- Upgraded Supernet: Fibre broadband services with speeds of up to 1Gbps, launch "Platinum Homezone" ultimate wifi for large villas; added Category 9 LTE-Advanced standard enabling mobile download speed of 325 Mbps
- Ooredoo TV (first 4K TV offering in the region) attracting more than 30k customers
- More than 70% of customers are using data
- Ooredoo's Fibre-to-the-Home network continued to grow; 281k customers connected

QARm

Revenue

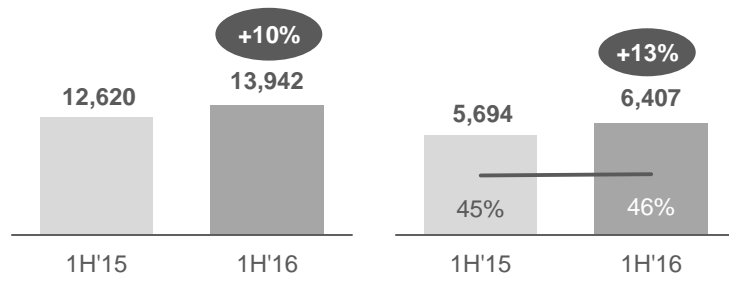
EBITDA & Margin



IDRbn¹

Revenue

EBITDA & Margin

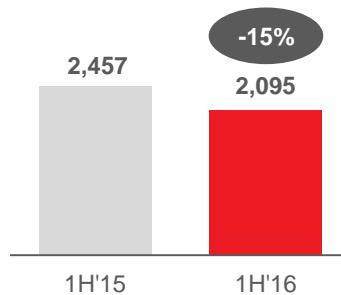


- 1 USD = 13,413 Indonesia Rupiah (IDR)²

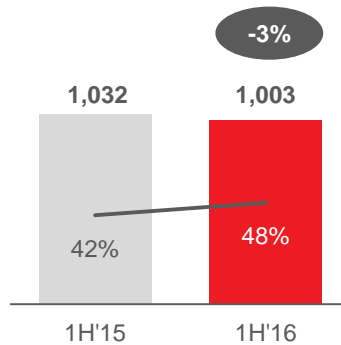
- Double digit cellular revenue growth in local currency terms year-on-year supported by growth in all services (voice, SMS, data and VAS)
- EBITDA growth outpaced revenue growth with EBITDA margin increase of 1ppt year-on-year.
- Positive bottom line due to continued improvement in operational process, revenue growth and relatively stable currency movement
- Data revenue grew more than 50% year-on-year, contributing more than 40% of cellular revenue. Mobile digital market strongly support data growth.
- 4G coverage has reached 40 cities in Indonesia

QARm

Revenue

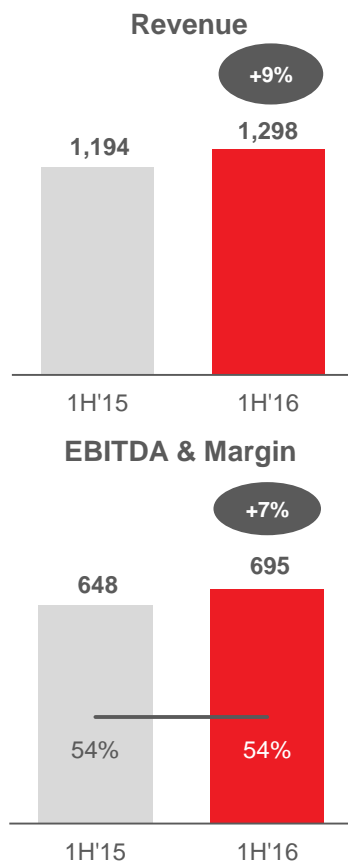


EBITDA & Margin



- Revenue declined due to challenging economic environment (oil price, lower consumer spend), the security situation in parts of Iraq and intense competition
- Strict cost control helped limit impact on EBITDA resulting in increased margin
- Stable number of mobile customers
- Network recovery in progress in liberated areas
- 3G uptake supported by road show covering more than 2,000 points of sales to introduce new data offers & bundles (with try & buy approach), 3G launch in Samarra, Al Balat and Al-Alam

QARm



• 1 USD = 0.38463 Omani Rial (OMR)¹

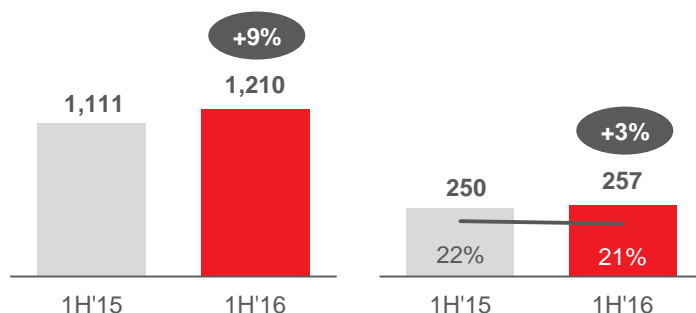
- Ooredoo Oman again showing strong growth on all levels: Revenue, EBITDA, Net Profit and customer numbers
- Growth driven by both mobile and fixed data revenue, now data is 50% of revenue; smart device penetration 80%
- Number of customers up 3% year on year driven by fixed and mobile increase (pre and postpaid)
- First wave of LTE800 launched
- OO Customer service have won the “Best call center award for service assurance” & “The best VOC Program”

Note: (1) Constant pegged currency

QARm

Revenue

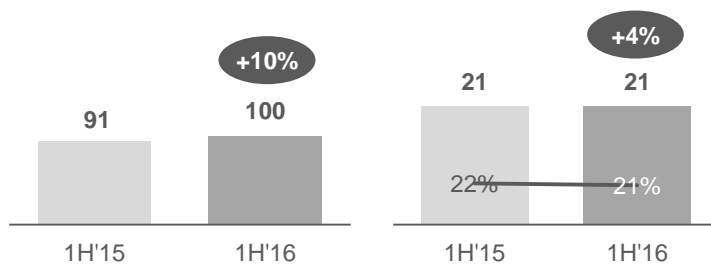
EBITDA & Margin



KWDm

Revenue

EBITDA & Margin



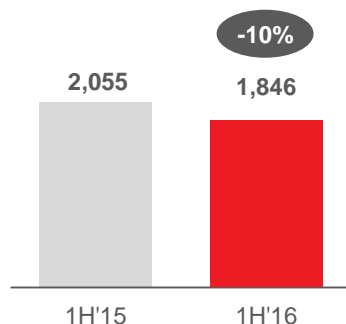
• 1 USD = 0.3017 Kuwait Dinar (KWD)¹

- Ooredoo Kuwait displayed local currency growth in a highly competitive market.
 - Revenue up 10% YoY
 - EBITDA up 4%YoY
- Growth driven by postpaid and wireless broadband (WBB) segments
- Aggressive prepaid (price) and data (data allowances) market
- Operating costs are under control and is lower than previous year but high handset subsidies and price competition still impacting the margins.
- Customer benefitting from improved voice and data network, highest quality networks based on independent benchmarks

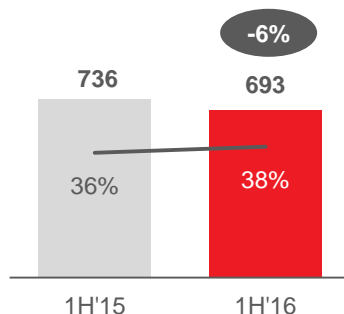
Note: (1) Six month average rate January – June 2016

QARm

Revenue

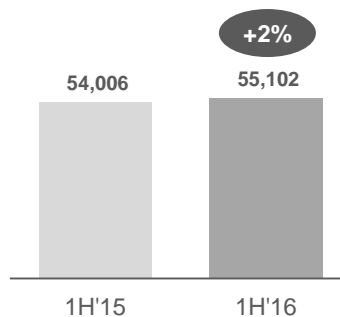


EBITDA & Margin

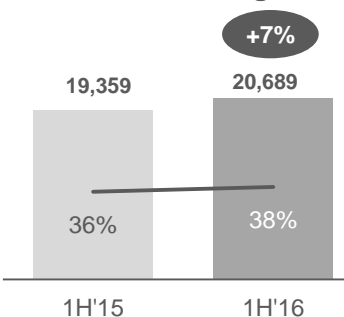


DZDm

Revenue



EBITDA & Margin



• 1 USD = 108.7 Algerian Dinar (DZD)¹

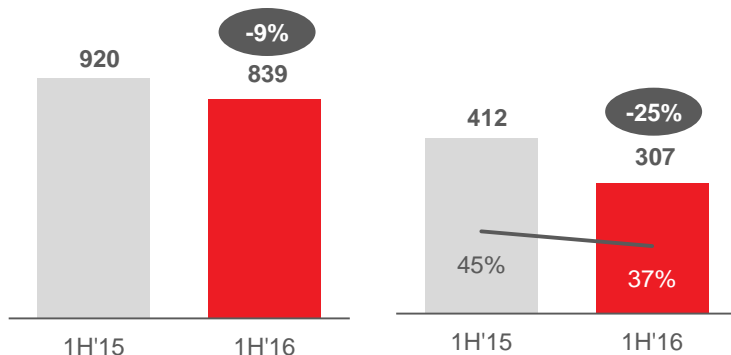
- Ooredoo reporting yoy and sequential local currency growth in Algeria as the overall market was challenging with weak macro-economic situation
- 2% Revenue growth and 7% EBITDA growth in local currency terms, the Algerian dinar depreciated 12% yoy
- Net Profit has substantially improved as a result of improved margins and a much lower impact of FX due to the local refinancing performed during Q3 2015
- Maintaining clear data leadership in Algerian market, owning half a total value market share
- Good traction on new voice/data bundle promotions mainly targeting high end customers
- LTE license obtained in May 2016, 4G trials with new Algerian speed records, ready to launch 4G services shortly

Note: (1) Six month average rate January – June 2016

QARm

Revenue

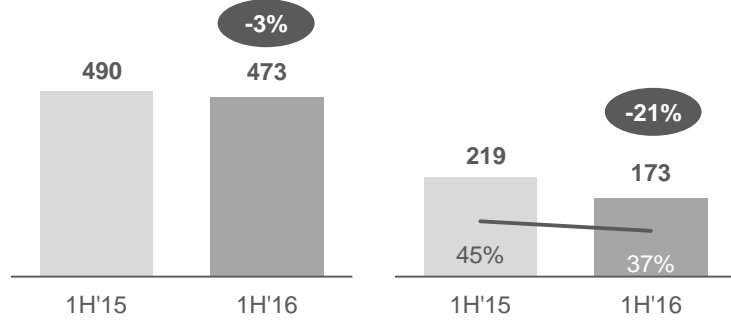
EBITDA & Margin



TNDm

Revenue

EBITDA & Margin



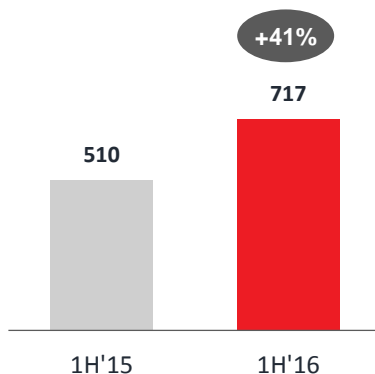
• 1 USD = 2.054 Tunisian Dinar (TND)¹

- Ooredoo Tunisia maintained its market leadership position and market share with a total customer base of 7.6 million
- Tunisian economy still suffering from low tourism, but starting to grow slowly. Ooredoo Tunisia revenue and EBITDA both improved QoQ
- Depreciation of the Tunisian Dinar negatively impacted Revenue and EBITDA reported in QAR
- 4G license awarded and LTE launched in March 2016. Data business growing further offsetting declines in voice and SMS
- Mobile number portability introduced in April 2016, no major impact
- Cost optimization program in place

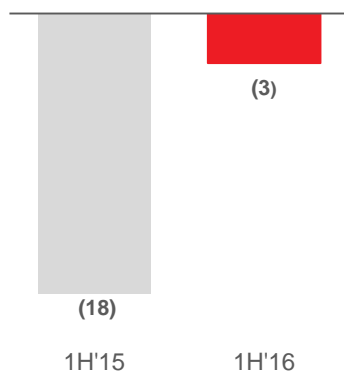
Note: (1) Six month average rate January – June 2016

QARm

Revenue



EBITDA & Margin



- Ooredoo Myanmar first 4G service provider in Myanmar (Launch in May 2016)
- Continued its revenue growth performance with EBITDA positively impacted by increasing scale of operations
- Customer base more than doubled YoY exceeding 8 million, best quarterly additions since launch
- Increasing data usage by promotions (Facebook offer/ double internet) and providing affordable 3G handsets
- Network roll-out progresses; covering now more than 85% of the population
- Exercised 2,100 MHz spectrum option
- Customer care received best practice award in Q2



Q & A

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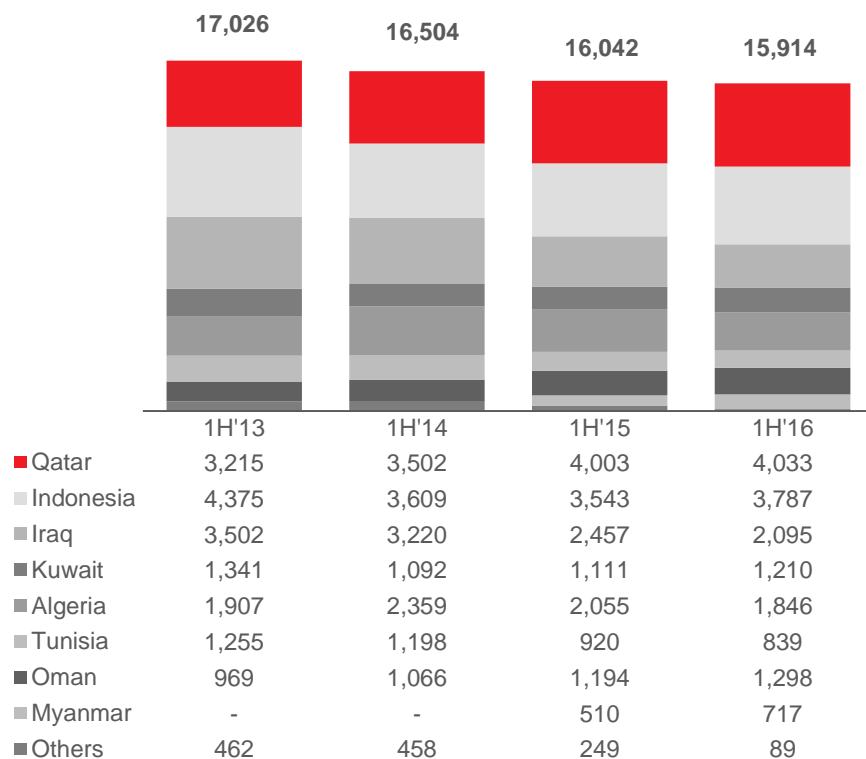
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Group Operations Breakdown

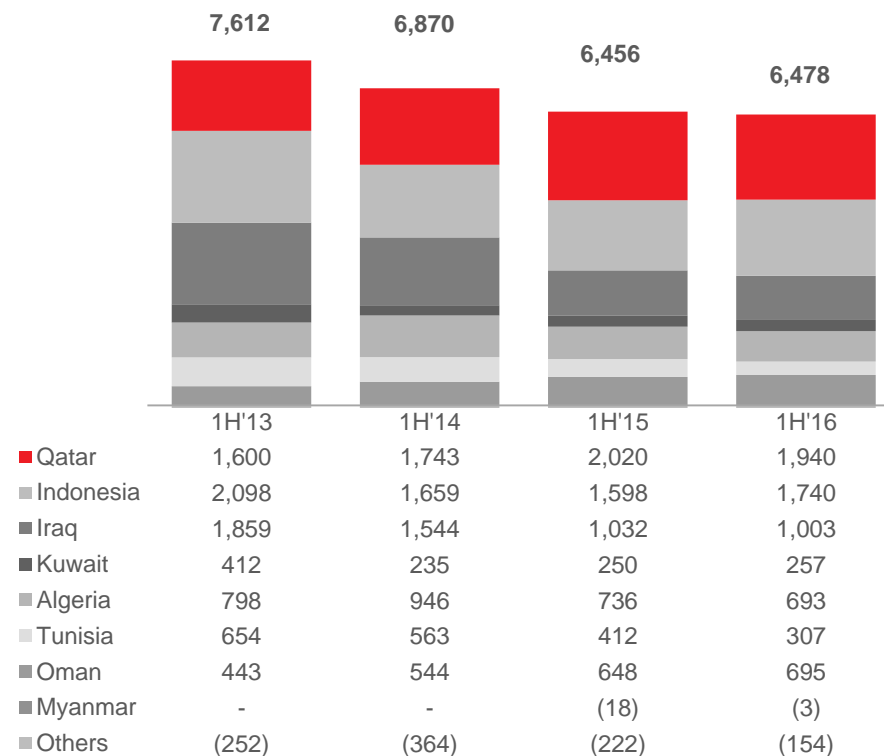
Revenue & EBITDA

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Revenue (QARm)



EBITDA (QARm)

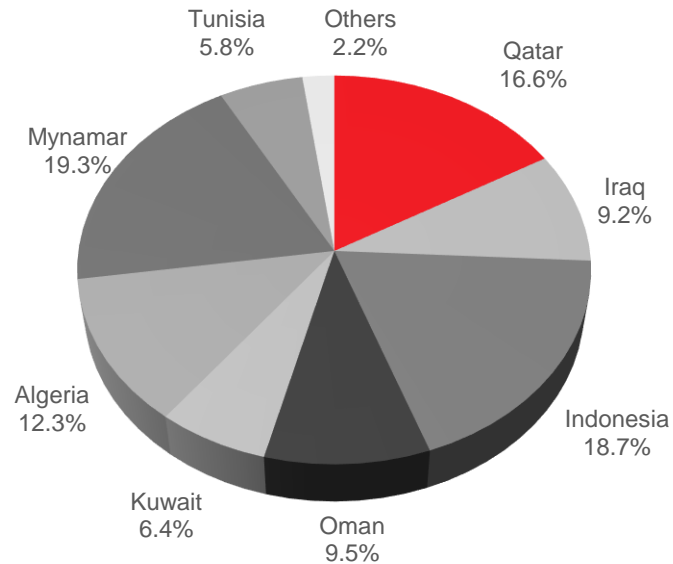


Group Operations Breakdown

CAPEX & Customers

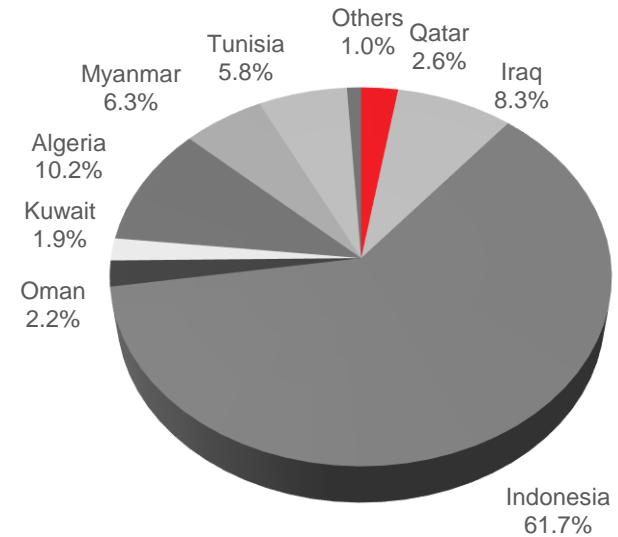
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CAPEX Breakdown



1H 2016 CAPEX = QAR 2,411 million

Customers Breakdown



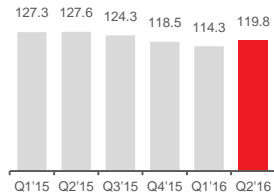
1H 2016 Total Customers = 130.4 million

Group Operations Breakdown

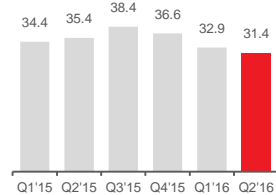
Blended ARPU

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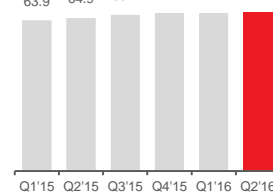
Qatar (QAR)



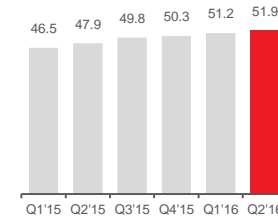
Iraq (QAR)



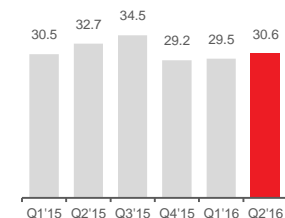
Oman (QAR)



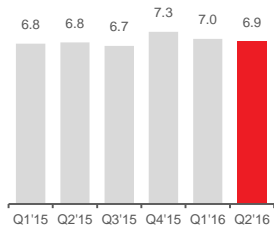
Maldives (QAR)



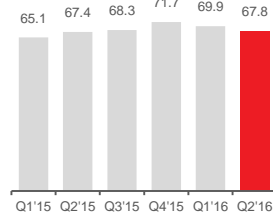
Palestine (QAR)



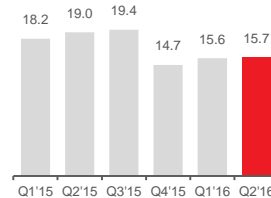
Indonesia (QAR)



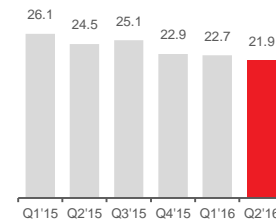
Kuwait (QAR)



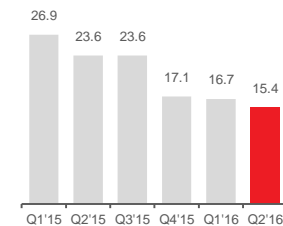
Tunisia (QAR)



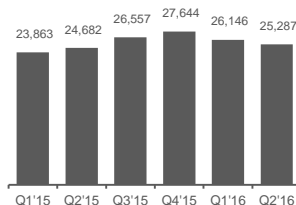
Algeria (QAR)



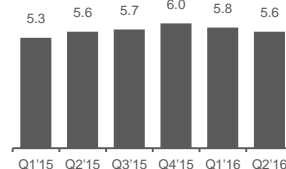
Myanmar (QAR)



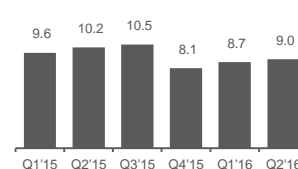
Indonesia (IDR)



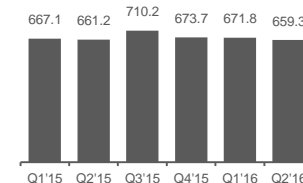
Kuwait (KWD)



Tunisia (TND)



Algeria (DZD)



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Statutory Corporate Tax Rates

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	Statutory Tax Rate	Losses C/Fwd Allowed	Notes
Algeria	26%	4 years	
Indonesia	25%	5 years	
Iraq	15%	5 years	
Kuwait	15%	3 years	GCC companies (including NMTC) are exempted and are subjected to 4.5% Zakat, KFAS & national Labour Support Tax on consolidated profits
Maldives	15%	5 years	
Myanmar	25%	3 years	
Oman	12%	5 years	
Palestine	20%	5 years	
Qatar	10%	3 years	Qatari/GCC owned companies and companies listed on Qatar Exchange are exempt
Singapore	17%	Indefinitely	
Tunisia	35%	5 years	1) 25% is the standard tax rate; 2) 35% tax rate applies to oil companies, banks, financial institutions including insurance companies and telecommunication companies



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