

Ooredoo Q.S.C.

Ooredoo Group reports a Net Profit increase of 4% for FY 2016

Group customer base reached 138 million (up 19%)

Board of Directors Recommends a Cash Dividend of QAR 3.5 Per Share

Doha, Qatar, 22 February 2016: Ooredoo Q.S.C. ("Ooredoo") - Ticker: ORDS today announced results for the year ended 31 December 2016.

Financial Highlights:

	Quarterly Analysis			Full Year Analysis		
	Q4 2016	Q4 2015	% change	FY 2016	FY 2015	% change
Consolidated Revenue (QAR m)	8,238	7,965	3%	32,503	32,161	1%
EBITDA (QAR m)	3,223	3,007	7%	13,379	13,018	3%
EBITDA Margin (%)	39%	38%	-	41%	40%	-
Net Profit Attributable to Ooredoo Shareholders (QAR m)	361	360	0%	2,193	2,118	4%
Consolidated Customers (m)	138	117	19%	138	117	19%

- Revenue stood at QAR 33 billion, an improvement of 1% over 2015. In local currency terms, growth was driven by Ooredoo Qatar, Oman, Kuwait, Algeria, Tunisia, Maldives, Indosat Ooredoo and Myanmar. Excluding Foreign Exchange translation impact, Revenues would have increased by 2% year-on-year instead of the reported 1%.
- Group EBITDA increased by 3% and stood at QAR 13 billion with an improved EBITDA margin of 41%, indicating a strong operational performance. Excluding Foreign Exchange translation impact, Group EBITDA would have increased by 4% year-on-year instead of the reported 3%.
- Group Net Profit to Ooredoo shareholders increased by 4% to QAR 2.2 billion driven by strong contributions from Ooredoo Qatar, Oman, Maldives, Indosat Ooredoo, and reduced costs at Ooredoo Group headquarters, and reduced loss due to Foreign Exchange fluctuations.
- Group Earnings Per Share stood at QAR 6.84 in 2016, compared to QAR 6.61 in 2015.
- Continued strong data growth from consumer and enterprise customers: data revenue increased to 40% of Group Revenue. Revenue from data contributed QAR 13 billion to the Group's Revenue.
- Group B2B Revenue increased by 6% to QAR 5.5 billion reflecting Ooredoo's ongoing investment in services for business customers.

Operational highlights:

- Customer base increased by 19% to reach 138 million driven by strong growth in Indosat Ooredoo, Myanmar, Oman, Iraq, Tunisia, Kuwait, Algeria, Maldives and Palestine.
- Ooredoo continues to be a data leader in its markets: first telecom provider to launch 4G services in Myanmar, 4G roll out started in Algeria. 4G networks are now available in eight of its markets.
- Ooredoo Qatar completed one of the region's first 5G mobile trials and tested a number of practical applications with advanced network power which can support "Internet of Things" solutions.
- Ooredoo Qatar's B2B segment is steadily growing, with a number of strategic partnership and agreements signed.
- In October, Ooredoo Kuwait completed the acquisition of FASTtelco, one of the leading internet service providers in Kuwait, through which it can expand its offering of advanced fixed broadband and mobile services.
- Ooredoo Maldives announced plans to offer a portion of its equity for sale on the Maldives Stock Exchange in 2017 as per its license requirements.
- Post period Standard & Poor's upgraded Ooredoo's outlook to "positive"; the rating was affirmed at 'A-' in January 2017.

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

"Ooredoo has delivered good value for its shareholders in 2016, with growth in Revenues, EBITDA, Net Profit and customer numbers. Fuelled by our ambition to advance from a telecom operator to a leading international communications company, we achieved significant progress in rolling out our strategy in all our markets of operations. We strengthened our service offering and delivered world class infrastructure, connecting 138 million people to a better future.

We are the first telecom provider to launch 4G services in several of our markets, with eight of our operations now operating 4G networks. Some of our operations are already generating the majority of their revenues from data services.

Looking ahead to 2017, we are confident in our growth prospects and we will focus on developing the business into a premier communications company, and diversifying our product offering and revenues. We will pursue 5G trials prior to introducing the technology in Qatar, strive to support our nation's efforts to host the FIFA World Cup in 2022, as well as continue to make a strategic contribution to the fulfilment of the Qatar National Vision 2030.

On behalf of the Board of Directors, I am pleased to recommend to the General Assembly the distribution of a cash dividend of QAR 3.5 per share (35% of the nominal share value)."

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

"Our financial performance has been positive over the course of the past twelve months, with a healthy Group Revenue of almost QAR 33 billion and a robust Group Net Profit attributable to shareholders of QAR 2.2 billion, driven by strong contributions from Ooredoo Qatar, Oman, Maldives and Indosat Ooredoo."

Our focus on efficiencies delivered an improved Group EBITDA margin of 41%.

Both Ooredoo Qatar and Ooredoo Oman displayed growth in terms of Revenue, EBITDA and Net Profit underpinned by market leading digital products, strong customer service and smart marketing initiatives.

In Asia, Indosat Ooredoo and Ooredoo Myanmar are on a spectacular growth curve, increasing Revenue and EBITDA in double digits. Growth was supported by the launch of 4G networks. We now have more than 85 million customers in Indonesia (+23%) and nine Million in Myanmar (+55%).

In Iraq we maintained our No.1 Revenue market share position. The country is still suffering from the security situation and weak economic conditions.

In Kuwait, Algeria and Tunisia we produced a positive performance in terms of local currency Revenue despite challenging market environments.”

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar delivered positive results in Qatar in 2016, demonstrating data experience leadership, sustaining customer numbers and delivering growth in revenue and EBITDA.

Revenue grew 1% to QAR 8.0 billion (2015: QAR 7.9 billion), and EBITDA increased by 1% to QAR 4.0 billion.

Throughout the year, Ooredoo continued to drive mobile and fixed network improvements, upgrading its 4G+ service to offer speeds of up to 325 Mbps, launching a 1Gbps Fibre plan, successfully testing 10Gbps fibre services as well completing one of the first-ever 5G mobile trials in the region and successful commercial trials of Voice over LTE services.

To meet the demand for digital entertainment, the company launched Ooredoo tv, a 4K home entertainment service that saw strong demand. It also pursued its strategy to become a leading integrated ICT provider, opening a new innovation lab at its Qatar Data Centre and marking the centre’s tenth anniversary with the launch of an enhanced portfolio of services.

Ooredoo Oman

With the expansion of the 4G network and significant investments in IT infrastructure, Ooredoo increased further the quality level of its turbo charged network. By the end of 2016, Ooredoo Oman generated more than 50% of its consumer Revenues from data.

Revenue increased by 7% to QAR 2.6 billion, driven by both mobile and fixed data Revenue. EBITDA also increased, up 8% to QAR 1.4 billion due to higher Revenue in post- /pre-paid segments as well as fixed line business. Almost three million customers are being served now in Oman, an improvement of 6%.

Ooredoo Kuwait

Ooredoo Kuwait deployed more 4G sites during 2016 and by the end of the year it had successfully covered the entire populated area of Kuwait. Consequently, the customer base grew by 3% to reach a total of 2.3 million.

Revenue was QAR 2.4 billion, an increase of 5% compared to 2015. EBITDA stood at QAR 614 million versus EBITDA of QAR 620 million at FY 2015. Margins were impacted by market competitiveness.

Asiacell

Despite economic and political challenges in Iraq, Asiacell maintained its revenue and data market leadership. Asiacell successfully reactivated service and rolled out its 3G network to stabilised areas of Iraq. Customer numbers increased by 11% to reach 12 million.

Impacted by the overall challenging business environment and the introduction of a sales tax in August 2015, Asiacell's FY 2016 Revenue decreased 14% to QAR 4.2 billion, down from QAR 4.9 billion. Due to cost optimisation initiatives EBITDA was less impacted, registering QAR 1.9 billion at 2016, down 10% over 2015.

North Africa

Ooredoo Algeria

Ooredoo's customer base in Algeria was 13.8 million customers, an increase of 6% compared with 2015. Ooredoo Algeria maintained its data leadership position with Revenues increasing in local currency terms (+1%). The Algerian Dinar depreciated significantly compared with 2015, causing a 7% Revenue drop reported in QAR. EBITDA was QAR 1.3bn with an EBITDA margin of 35%.

The company delivered good operational growth. Ooredoo Algeria invested in a 4G roll out in three provinces and the modernisation and expansion of the 3G network to all provinces which now covers the vast majority of the Algerian population.

Ooredoo Tunisia

Ooredoo Tunisia's customer base stood at 8.0 million at the end of 2016, an increase of 6% on the same period in 2015. The Tunisian economy is still suffering from slow tourism and the QAR results were impacted by the depreciation of the Tunisian Dinar. Revenues were QAR 1.7 billion compared to revenues for 2015 of QAR 1.8 billion. However in local currency terms Revenue increased by 4%. EBITDA stood at QAR 686 million and the EBITDA margin remained stable in the 40% range.

Asia

Indosat Ooredoo

Maintaining its significant contribution to the Group, Ooredoo Indosat's Revenue increased 10% to reach QAR 8.0 billion, up from QAR 7.3 billion at FY 2015.

Due to higher Revenues and strong growth in customer numbers, EBITDA grew by 13% to reach QAR 3.7 billion at FY 2016.

During 2016, Indosat Ooredoo delivered digitally-enhanced shops, offered more online functionality and increased data connectivity for the entire country. Customer base increased 23% to reach more than 85 million customers, compared to 70 million in 2015.

Ooredoo Myanmar

Ooredoo Myanmar has been consistently gaining market share and its network is now covering the vast majority of the population. Supported by the launch of the 4G network and additional 3G site roll outs, customer base reached nine million customers, an increase of 55% from 2015.

The company delivered strong revenue growth, up 38% to QAR 1.5 billion as compared to QAR 1.1 billion at FY 2015, underpinned by growth in its data business. Ooredoo Myanmar EBITDA increased in 2016 significantly, the EBITDA margin stood at negative 1%, almost reaching breakeven point, a good improvement compared to negative 7% in the previous year.

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

For further information:

Email: IR@ooredoo.com

Follow us on Twitter: [@OoredooIR](https://twitter.com/OoredooIR)

Press release

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

- Ends -

About Ooredoo

Ooredoo is an international communications company operating across the Middle East, North Africa and Southeast Asia. Serving consumers and businesses in 10 countries, Ooredoo delivers the leading data experience through a broad range of content and services via its advanced, data-centric mobile and fixed networks.

Ooredoo served 138 million customers and generated revenues of QR 33 billion as of 31 December 2016. Its shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.