

Ooredoo Q.P.S.C.

Ooredoo Group reports QAR 24 billion in Revenue for 9M 2017 Group customer base up 13% to reach 150 million

Doha, Qatar, 29 October 2017: Ooredoo Q.P.S.C. (“Ooredoo”) - Ticker: ORDS today announced results for the nine months ended 30 September 2017.

Financial Highlights:

	Quarterly Analysis			Nine Month Analysis		
	Q3 2017	Q3 2016	% change	9M 2017	9M 2016	% change
Consolidated Revenue (QAR m)	8,217	8,352	-2%	24,476	24,266	1%
EBITDA (QAR m)	3,520	3,678	-4%	10,459	10,156	3%
EBITDA Margin (%)	43%	44%		43%	42%	
Net Profit Attributable to Ooredoo Shareholders (QAR m)	462	370	25%	1,559	1,832	-15%
Consolidated Customer base (m)	150	133	13%	150	133	13%

- 9M Revenue stood at QAR 24.5 billion, driven by strong contributions from Indonesia, Oman, Kuwait, Iraq, and the Maldives. Excluding Foreign Exchange translation impact, revenues would have increased by 2% compared to the reported 1% revenue increase.
- Group EBITDA is stable at QAR 10.5 billion with an increase in EBITDA margin now at 43%, indicating an improvement in operational performance from 9M 2016 (42%). Excluding Foreign Exchange translation impact, Group EBITDA would have increased by 4% year-on-year.
- Group Net Profit to Ooredoo shareholders decreased by 15% to QAR 1.6 billion. Excluding foreign exchange impact, Net Profit attributable to Ooredoo shareholders would have decreased by 8%. Additional government levies in Oman, challenging market conditions in Qatar and unfavourable foreign exchanges rates in Tunisia impacted the Group Net Profit. Net Profit at 9M 2016 benefitted from significant Foreign Exchange gains of QAR 200 million in 2016. However, these temporary gains were reversed in Q4 2016.
- Strong data growth from consumer and enterprise customers: data revenue increased to 45% of Group revenue. Revenue from data contributed QAR 11.1 billion in 9M 2017.

Operational highlights:

- Customer base reached a milestone of 150 million, representing an increase of 13% driven by strong growth in Indonesia, Iraq, Algeria, Tunisia, Oman, Qatar and the Maldives.
- Ooredoo continues to be a data leader in its markets with 4G networks now available in 8 of Ooredoo’s 10 markets.

- Ooredoo has completed the de-listing process of Ooredoo GDR (Global Depositary Receipt) from the London Stock Exchange, effective from 31 August, 2017. The primary reason for the delisting is the fact that international investors can now easily trade Ooredoo securities on the Qatar Stock Exchange.
- Ooredoo Maldives completed the listing of its shares on the Maldives Stock Exchange on 9 August, 2017. Selling approximately 10% of the company shares resulted in IPO proceeds of MVR 421 million (QAR 100 million), making the Ooredoo Maldives IPO the most successful listing in the country.
- Post period: Wataniya Palestine launched services in Gaza on October 24. Gaza constitutes about 40% of the Palestinian market.

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

“Ooredoo Group reported good results for the nine months of 2017, with growth in Revenues, EBITDA and customer numbers.

I am proud to announce that we have reached a milestone of 150 million customers during the nine months of 2017, testament to the company’s relentless focus on delivering world class infrastructure and innovative products.

We are delighted and very excited to have launched our services in Gaza in October 2017, as part of our efforts to become the leading integrated ICT provider in Palestine. We have worked tirelessly for a long time to launch our services in Gaza, and now we have succeeded.

We maintain our leadership position and commitment to connecting and developing the citizens of emerging economies where we operate and are very proud to be making good progress in this area.”

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

“Our financial performance has been stable over the course of the past nine months, with a group Revenue of QAR 24 billion and a Group Net Profit attributable to shareholders of QAR 1.6 billion. Our strategy to optimize efficiencies across our operations resulted in a 3% growth in Group EBITDA to QAR 10.5 billion, and an improved Group EBITDA Margin of 43% at 9M 2017.

“We delivered good customer growth across the board, with increases in our customer base in Indonesia and most other markets.

“In our home market in Qatar we continued to grow our customer base and data revenues. In our biggest international operation in Indonesia, we reported positive Revenue and EBITDA as a result of growth in customers and the benefits of our cost efficiency programme. Ooredoo Kuwait and Ooredoo Oman reported higher revenues. Asiacell gained more business in liberated areas, enhancing its market leading position. Ooredoo Algeria’s financial results demonstrated an improved operational performance, while Ooredoo Tunisia grew the business in local currency terms. Ooredoo Myanmar reported its third consecutive quarter of positive EBITDA.”

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar continued to maintain clear market leadership through 9M 2017, with customer numbers increasing by 3% year-on-year, reaching 3.5 million (9M 2016: 3.4 million). Revenue decreased by 2% to QAR 5.9 billion and EBITDA stood at QAR 3.0 billion, 3% below 9M 2016.

Revenue was impacted by lower revenue from mobile voice services and mega projects, and a drop in roaming revenue during the Eid holiday month. This was partially offset by increased revenue from Ooredoo TV digital entertainment services. Ooredoo Qatar's Fibre rollout programme passed more than 500,000 homes and has now connected more than 347,000 homes.

The company participated in a number of initiatives designed to show solidarity with the country's people and leadership during the period, further reinforcing its strong connection with the communities of Qatar.

Ooredoo Oman

Ooredoo Oman increased Revenues and customer numbers, reaffirming its leadership position in the market. Revenue reached QAR 2.0 billion, up 1% compared to QAR 1.9 billion at 9M 2016, driven by growth in mobile and fixed data revenues. Customer numbers increased 4% to reach a total of 3 million.

EBITDA for 9M 2017 stood at QAR 1.1 billion in line with the previous year. Omani results were impacted by increase in royalty fee from 7% to 12% and an increase in income tax rate from 12% to 15%.

Ooredoo Kuwait

Ooredoo Kuwait delivered good results, with increases in revenues and EBITDA. Revenues at 9M 2017 were QAR 1.9 billion, an increase of 7% compared to QAR 1.8 billion for the same period in 2016. EBITDA was QAR 474 million, up 9% from QAR 434 million for the same period in 2016.

Ooredoo's customer base in Kuwait stood at 2.3 million for the nine months ended 30 September 2017, representing a 4% decrease compared to the same period in 2016 due to intense competition and the overall market conditions.

Asiacell - Iraq

During the period, more areas were liberated in Mosul leading to reactivation of those sites, which contributed to an 11% increase in Asiacell's customer base (12.5 million customers) for the 9M 2017 period.

Revenue increased 6% to QAR 3.3 billion, demonstrating Asiacell's leadership in the market despite the difficult political and economic situation. EBITDA also increased 2% for the period, reaching QAR 1.5 billion, positively impacted by the increased revenue and good control of operating expenses. Good operational efficiency and cost control helped to maintain the EBITDA margin at 45%.

North Africa

Ooredoo Algeria

Ooredoo's customer base in Algeria increased to 14.2 million customers for the nine months ended 30 September 2017, up by 5% compared with the same period in 2016. Revenues for the period decreased to QAR 2.6 billion compared to revenues of QAR 2.8 billion for the same period in 2016, due to the increase in VAT and a weak economic environment. As cost optimizations materialised, EBITDA increased to QAR 1.2 billion at 9M 2017, representing a 15% growth compared to QAR 1.0 billion for the same period in 2016.

Ooredoo – Tunisia

Ooredoo's customer base in Tunisia reached 8.3 million for the nine months ended 30 September 2017, an increase of 6% compared to the same period in 2016. Revenue was QAR 1.2 billion, compared to QAR 1.3 billion for the same period in 2016. EBITDA was QAR 455 million compared to QAR 504 million for the same period in 2016. In local currency terms, revenue and EBITDA increased by 2% for the nine months ended 30 September 2017.

Asia

Indosat Ooredoo – Indonesia

Indosat Ooredoo delivered a good set of results for the period, with growth in revenues and customers.

Revenue increased 5% to reach QAR 6.2 billion, up from QAR 5.9 billion at 9M 2016. EBITDA increased 6% to QAR 2.9 billion, driven by growth in revenues and a steadfast cost efficiency program.

With excellent network quality and innovative products, Indosat Ooredoo attracted 19% more customers, now proudly serving a total of 97 million.

Ooredoo Myanmar

Ooredoo Myanmar continued to build on its success in driving forward its efficiency programme and cost reduction initiatives. As a result, EBITDA increased significantly to reach positive QAR 93 million compared to last year's loss of QR 7 million.

Unfavourable foreign exchange rates and increased competition impacted revenues to QAR 961 million at 9M 2017, from QAR 1,105 million at 9M 2016. An adjustment for inactive customers lead to a 12% reduction of the customer number, now serving 7.7 million customers.

Ooredoo's 9M 2017 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

For further information:

Email: IR@ooredoo.com

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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.