

## Ooredoo Q.S.C.

### Ooredoo Revenue increased by 2% to reach QAR 8 billion for Q1 2017

*Customer base up 26% to 149 million*

**Doha, Qatar, 26 April 2017:** Ooredoo Q.S.C. ("Ooredoo") - Ticker: ORDS today announced results for the first Quarter ended 31 March 2017.

#### Financial Highlights:

	Quarterly Analysis		
	Q1 2017	Q1 2016	% change
Consolidated Revenue (QAR m)	8,044	7,888	2%
EBITDA (QAR m)	3,427	3,179	8%
EBITDA Margin (%)	43%	40%	-
Net Profit Attributable to Ooredoo Shareholders (QAR m)	584	879	-34%
Consolidated Customers (m)	149	118	26%

- Revenue increased to QAR 8.0 billion, an improvement of 2% over Q1 2016. In local currency terms, growth was driven by Ooredoo Qatar, Indosat Ooredoo, Ooredoo Oman, Ooredoo Tunisia, Ooredoo Myanmar and Ooredoo Maldives. Excluding Foreign Exchange translation impact, revenues would have increased by 3% year-on-year.
- Group EBITDA increased by 8% to QAR 3.4 billion with an improved EBITDA margin of 43%, indicating a strong operational performance and cost control.
- Group Net Profit to Ooredoo shareholders decreased by 34% to QAR 584 million. Net Profit results in Q1 2016 benefitted from significant Foreign Exchange gains of QR 380 million. Excluding the Foreign Exchange impact, Net Profit in Q1 2017 was up by 3%.
- Continued strong data growth from consumer and enterprise customers: data revenue increased to 43% of Group Revenue. Revenue from data contributed QAR 3.5 billion in Q1 2017.
- Group B2B Revenue increased to 17% to QAR 1.4 billion in Q1 2017 reflecting Ooredoo's ongoing investment in services for business customers.

#### Operational highlights:

- Customer base increased by 26% to reach 149 million driven by strong growth across major markets
- Data Leadership with 4G roll-out continuing in multiple markets; 4G networks are now available in 8 of Ooredoo's 10 markets.
- Wataniya Palestine prepares for Gaza market launch and 3G network upgrade
- Ooredoo Maldives plans to proceed with a listing of its shares on the Maldives Stock Exchange. The offering will consist of up to 40% of the company's equity and is expected to open for subscription on 30th April 2017.
- In January 2017 Standard & Poor upgraded Ooredoo's outlook to "positive"; the rating was affirmed at 'A-'.

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

"Ooredoo increased Revenue, EBITDA and strengthened its customer base to further enhance shareholder value. Revenue stood at QAR 8.0 billion in Q1 2017, up by 2% from the same period last year and EBITDA was QAR 3.4 billion, up by 8% compared to Q1 2016. Our strategy to optimize efficiencies across our diverse portfolio resulted in an improved Group EBITDA Margin of 43%.

Our relentless focus on our digital strategy and delivering world class infrastructure and innovative products is paying dividends; with a significant 26% increase in customer base we are now reaching almost 150 million customers.

Another milestone in our digital strategy was the launch of our 4.5G Pro network in Qatar in February. We are one of the first operators globally to offer this cutting edge technology, which increases mobile data speeds to up to 800 Mbps."

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

"Our financial performance across the Group has shown improvement over the course of the past three months, driven by strong contributions from Ooredoo Qatar, Indosat Ooredoo, Ooredoo Oman and Ooredoo Maldives, resulting in a 2% increase in revenues.

Ooredoo Qatar, Kuwait, Algeria, Tunisia, Maldives, Myanmar and Indosat Ooredoo delivered good growth in EBITDA, capitalizing on Group efficiencies, solid operational performance and growth in customer numbers.

Ooredoo Qatar produced a positive performance in terms of Revenue, up 2% and EBITDA, which increased by 9%.

Indosat Ooredoo maintained its strong contribution to the Group, with Revenue of QAR 2.0 billion, up by 8% from Q1 2016, while EBITDA reached QAR 902 million, up by 6% compared to the same period last year.

Ooredoo Maldives delivered another outstanding performance as revenues increased by 13% to QAR 113 million, while EBITDA was up by 19% reaching QAR 67 million, delivering strong results ahead of its IPO later this year.

Data as a percentage of Group revenue is now 43%, reflecting our ability to deliver highly valued data services to our customers across our best in class data networks."

## **Operational Review**

### **Middle East**

#### **Ooredoo Qatar**

Ooredoo Qatar delivered another strong performance in Q1 2017, with positive results in terms of Revenue, EBITDA and Net Profit.

Revenue grew by 2% to QAR 2.0 billion while the number of customers was stable at 3.5 million. EBITDA stood at QAR 1,023 million for Q1 2017, 9% above Q1 2016 (QAR 941 million).

Ooredoo focused on maintaining and developing its position as Qatar's data experience leader during the quarter. The company officially launched its 4.5G Pro network in February, becoming the first operator in the Ooredoo Group, first operator in the Middle East, and one of the first operators in the world to offer the breakthrough technology, which increases mobile data speeds to up to 800 Mbps. In addition, Ooredoo launched 10 Gbps fibre services in select areas of Doha in March.

The focus on enhanced network services was complemented by a range of content and entertainment offerings, including the launch of new digital services in partnership with MBC Group, and by upgrades and new packages for data services for home, business and mobile customers.

#### **Ooredoo Oman**

Revenue increased by 2% to QAR 662 million, driven by increases in both mobile and fixed data revenue. EBITDA stood at QAR 350 million (QAR 354 million in Q1 2016). Profitability was impacted by the increase in royalty fee from 7% to 12%, the increase in income tax from 12% to 15%.

Ooredoo Oman grew its customer base by 9% to reach 3 million customers.

#### **Ooredoo Kuwait**

Ooredoo's customer base in Kuwait stood at 2.3 million at the end of Q1 2017, representing a 2% decrease compared to the same period in 2016. In a highly competitive market, Revenues for Q1 2017 were QAR 570 million, a decrease of 6% compared to Q1 2016. Benefiting from cost efficiencies, EBITDA stood at QAR 148 million versus EBITDA for Q1 2016 of QAR 124 million (up 20%).

#### **Asiacell - Iraq**

Asiacell maintained profitability and data market leadership in a challenging economic and political environment. Customer numbers increased significantly by 13% to reach 12 million customers following network reconnection in liberated areas of the country.

Asiacell maintained stable revenues of QAR 1.1 billion in Q1 2017, representing a slight decrease of 1% compared to Q1 2016. EBITDA was QAR 479 million, representing a 2% decrease from Q1 2016, while EBITDA margin remained at a healthy level of 45% due to ongoing cost optimization efforts.

### **North Africa**

#### **Ooredoo Algeria**

Ooredoo's customer base in Algeria increased to 14 million customers in Q1 2017, up by 5% compared with the same period in 2016. Revenues for Q1 2017 were QAR 880 million compared to revenues of QAR 928 million for the same period in 2016. Revenue was negatively affected by a VAT increase from 17% to 19%. EBITDA for Q1 2017 was QAR 398 million, an increase of 13% over Q1 last year.

# Press release



## **Ooredoo – Tunisia**

Ooredoo's Tunisia customer base stood at 8.0 million at the end of Q1 2017, an increase of 6% compared to the same period in 2016. Revenues for Q1 2017 were QAR 379 million compared to QAR 408 million in Q1 2016 impacted by a negative Foreign Exchange trend. However, in local currency terms revenue increased by 5%. EBITDA was QAR 144 million compared to QAR 138 million, an increase of 5% over the same period in 2016, EBITDA margins improved from 34 to 38%.

## **Asia**

### **Indosat Ooredoo – Indonesia**

Indosat Ooredoo maintained its significant contribution to the Group, with Revenue increased by 8% to QAR 2.0 billion in Q1 2017. EBITDA was up by 6% to QAR 902 million, while EBITDA margin remained strong at 45%.

Capitalising on last year's investment in Indosat Ooredoo's network, Indosat Ooredoo increased its customer base by an impressive 37% to reach 96 million in Q1 2017.

### **Ooredoo Myanmar**

Ooredoo Myanmar delivered a solid set of results in Q1 2017 and returned to a positive EBITDA margin of 6% after significant margin uplift and cost reduction initiatives which will continue being a focus for the company for the remainder of the year. Revenues stood at QAR 323 million and EBITDA was QAR 20 million, up by 129% compared to Q1 2016.

Customer base exceeded 9 million customers, up 35% compared to the same period last year, driven by last year's 4G network launch and additional 3G site roll-outs.

Ooredoo's Q1 2017 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

### ***For further information:***

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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.