

Ooredoo Q.P.S.C.

Ooredoo Revenue increased by 2% to reach QAR 16 billion in H1 2017

Customer base up 14% to reach almost 150 million

Doha, Qatar, 26 July 2017: Ooredoo Q.P.S.C. ("Ooredoo") - Ticker: ORDS today announced results for the first half of the year ended 30 June 2017.

Financial Highlights:

	Quarterly Analysis			Half Year Analysis		
	2Q2017	2Q2016	% Change	H117	H116	% Change
Consolidated Revenue (QAR m)	8,215	8,026	2%	16,259	15,914	2%
EBITDA (QAR m)	3,512	3,298	6%	6,939	6,478	7%
EBITDA Margin (%)	43%	41%	-	43%	41%	-
Net Profit Attributable to Ooredoo Shareholders (QAR m)	513	583	-12%	1,097	1,462	-25%
Pre FX Net Profit Attributable to Ooredoo Shareholders (QAR m)	510	424	+20%	1,022	922	+11%
Consolidated Customers (m)	149	130	14%	149	130	14%

- Revenue in H1 2017 increased to QAR 16.3 billion, an improvement of 2% over H1 2016. In local currency terms, growth was driven by Ooredoo Qatar, Ooredoo Oman, Ooredoo Kuwait, Ooredoo Tunisia, Asiacell, Indosat Ooredoo and Ooredoo Maldives. Excluding Foreign Exchange translation impact, revenues increased by 3% year-on-year.
- Group EBITDA increased by 7% to almost QAR 7.0 billion with an improved EBITDA margin of 43%, indicating a strong operational performance and good cost control. Excluding Foreign Exchange translation impact, EBITDA increased by 8% year-on-year.
- Group Net Profit to Ooredoo shareholders decreased by 25% to QAR 1.1 billion. Net Profit in H1 2016 benefitted from significant Foreign Exchange gains of QAR 540 million. However these temporary gains were reversed in the second half of the year. Excluding the Foreign Exchange impact, the Pre FX Net Profit in H1 2017 was up by 11%.
- Continued strong data growth from consumer and enterprise customers drove data revenue to QAR 7.2 billion in H1 2017; equivalent to 44% of Group revenue.
- Group B2B Revenue increased to 17% of Group revenue (QAR 2.8 billion) in H1 2017 reflecting Ooredoo's ongoing investment in services for business customers.

Operational highlights:

- Our customer base increased by 14% yoy to reach almost 150 million driven by strong growth across major markets. Quarter on quarter customer numbers slightly increased.
- Data Leadership with 4G roll-out continuing in multiple markets; 4G networks are now available in 8 of Ooredoo's markets.
- Asiacell is making good progress in Iraq, with network reconnections underway in liberated areas in Mosul resulting in a 13% increase in customer base.
- Ooredoo Maldives is proceeding with the listing of its shares on the Maldives Stock Exchange as planned. A total of 14,045,260 shares will be allocated to 8,257 applicants. This is equivalent to MVR 421.4 million (QAR 99.5 million) and constitutes 9.5% of the issued paid up shares of Ooredoo Maldives. Trading of the shares is expected to start during August 2017.

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

“This has been a very good first half of the year for Ooredoo Group. We delivered growth in Revenues and EBITDA, and our strategy to optimize efficiencies across our diverse portfolio resulted in an improved Group EBITDA Margin to 43%.

With customers at the heart of our business, Ooredoo delivered a 14% increase in customer base and we are now proudly serving almost 150 million customers across our operations.

At the core of our strategy is our vision to enable more people to be able to enjoy the internet. As part of this approach, Ooredoo continued to build our data leadership, enhancing our networks, growing the range of content and applications available, and providing more self-service and self-care options for customers. We have also increased the range of services available to business customers across our footprint, enabling companies to deliver more services online. These strategic initiatives are making a positive difference, as reflected on H1 results.”

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

“During the first six months of the year Ooredoo has made good operational improvements across its business, delivering an increase in revenues of 2% over the same period last year. In local currency terms, growth was driven by Ooredoo Qatar, Ooredoo Oman, Ooredoo Kuwait, Ooredoo Tunisia, Asiacell, Indosat Ooredoo and Ooredoo Maldives.

Ooredoo Qatar produced a positive performance in terms of Revenue, EBITDA and customer numbers in our domestic market. So did Indosat Ooredoo, which delivered another outstanding performance this quarter.

Ooredoo Oman increased the Revenue by 2%, whilst customer numbers were up 9%.

Despite difficult market conditions, Ooredoo Kuwait reported 4% growth in Revenues and a significant 25% growth in EBITDA.

Ooredoo Algeria maintained revenue market share leadership during H1 2017, despite challenging market conditions. Ooredoo Tunisia delivered Revenue and EBITDA growth in local currency terms.

In Iraq, Asiacell added 13% more customers mainly from the liberated areas and increased Revenue by 4%. In Myanmar we delivered another positive quarter in terms of EBITDA despite intense competition.”

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar delivered a positive performance in H1 2017, registering growth in revenue, EBITDA and customer numbers.

Revenue stood at QAR 4.0 billion, slightly higher than in the same period in 2016. Customer numbers reached 3.5 million, a 4% increase over last year's first half (3.4 million). EBITDA stood at QAR 2.0 billion for H1 2017, 4% above H1 2016 (QAR 1.9 billion).

Ooredoo continued to upgrade its network to enable more people to enjoy the internet at ultrafast speed. The company was the first in the region to successfully upgrade one of its 4.5G LTE-Advanced Pro cell sites to support CAT 16-enabled devices, providing data speeds of up to 1 Gbps. The company's entertainment portfolio continued to perform strongly, with its Ooredoo tv service reaching more than 100,000 customers in May 2017.

Ooredoo Oman

Ooredoo Oman grew its customer base by 9% in H1 2017 to reach more than 3 million customers. Driven by growth in mobile and fixed data revenue, Revenues increased by 2% to reach QAR 1.3 billion in H1 2017. EBITDA growth was flat at QAR 693 million (QAR 695 million in H1 2016), being marginally impacted by a higher customer acquisition cost associated with the increase in customer base.

Ooredoo Oman results in 2017 are impacted by the increase in royalty fees from 7% to 12% and the increase in income tax from 12% to 15%.

Ooredoo Kuwait

Despite a highly competitive market, Revenues increased 4% to reach almost QAR 1.3 billion in 1H 2017, compared to QAR 1.2 billion in H1 2016. EBITDA stood at QAR 322 million, a significant increase of 25% compared to the same period last year due to the company's cost efficiency initiatives and the timing of certain marketing expense.

Ooredoo's customer base in Kuwait stood at 2.3 million at the end of H1 2017, a decrease from 2.5 million at the end of H1 2016 due to intense competition and overall market condition.

Asiacell - Iraq

Asiacell Iraq delivered good results for the first half of the year, with 4% growth in Revenues from QAR 2.1 billion in H1 2016 to almost QAR 2.2 billion in H1 2017. Customer base increased 13% to reach more than 12 million customers in H1 2017. EBITDA decreased by 3% and stood at QAR 972 million due to network investments to accommodate high data demand as well as reconnection cost in the liberated areas.

Growth was stimulated by improvements in the political situation. With further areas in Mosul being liberated during the first half of the year, network reconnection helped to drive the increase in customer numbers.

North Africa

Ooredoo Algeria

Ooredoo Algeria maintained revenue market share leadership during H1 2017, despite challenging market conditions. Revenues for H1 2017 were QAR 1.7 billion compared to revenues of QAR 1.8 billion for the same period in 2016, negatively impacted by an increase in VAT and a weak economic environment.

Ongoing cost optimization efforts resulted in all time high EBITDA margin of 45% for the company, driven by a 12% increase in EBITDA which now stands at QAR 778 million.

Ooredoo's customer base in Algeria increased to 14 million customers in H1 2017, up by 5% compared with the same period in 2016.

Ooredoo Tunisia

Ooredoo Tunisia customer base reached 8.0 million at the end of H1 2017, an increase of 6% compared to the same period in 2016. Revenues continued to be impacted by a negative Foreign Exchange trend, resulting in an 11% decrease to QAR 744 million, compared to QAR 839 million in H1 2016. In local currency terms, revenue increased by 2%.

EBITDA increased by 4% in local currency terms with an EBITDA margin of 37%,

Asia

Indosat Ooredoo

Indosat Ooredoo improved its market position, with strong performances across its consumer, B2B and Digital segments. Overall customer numbers increased by 20% year on year to reach more than 96 million customers in H1 2017.

Revenues increased by 9% to more than QAR 4.1 billion, while EBITDA increased by 11% to more than QAR 1.9 billion, driving increased profitability across the business during the first six months of the year. EBITDA margin improved by 1 percentage point and stood at 47%.

Ooredoo Myanmar

A highlight for H1 2017 is Ooredoo Myanmar's success in driving forward its efficiency programme and cost reduction initiatives. EBITDA, now reaching positive QAR 44 million, up from a negative QAR 3 million in H1 2016.

Impacted by increased competition and FX rates (Myanmar Kyat depreciated 10.5%), Ooredoo Myanmar Revenues decreased 13% to QAR 624 million in H1 2017, compared to QAR 717 million for the same period last year.

Customer base improved to 8.3 million customers, representing a slight increase of 1% compared to H1 2016.

In May 2017, Myanmar regulator completed 1800 MHz spectrum direct allocation process. Ooredoo Myanmar was granted 2 x 10 MHz blocks for its 4G network sustaining its strong position in data.

Ooredoo's Q2 2017 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

For further information:

Press release

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

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.