

## Ooredoo Q.S.C.

### Ooredoo Group reports an increase of 4% in Net Profit for 9M 2016 Group customer base reaches 133 million (up 16%)

**Doha, Qatar, 30 October 2016:** Ooredoo Q.S.C. ("Ooredoo") - Ticker: ORDS today announced results for the nine months ended 30 September 2016.

#### Financial Highlights:

	Quarterly Analysis			Nine Month Analysis		
	Q3 2016	Q3 2015	% change	9M 2016	9M 2015	% change
Consolidated Revenue (QAR m)	8,352	8,155	2%	24,266	24,196	0%
EBITDA (QAR m)	3,678	3,556	3%	10,156	10,012	1%
EBITDA Margin (%)	44%	44%		42%	41%	
Net Profit Attributable to Ooredoo Shareholders (QAR m)	370	756	(51%)	1,832	1,758	4%
Consolidated Customers (m)	133	115	16%	133	115	16%

- Revenue stood at QAR 24 billion: In local currency terms growth in Qatar, Oman, Kuwait, Algeria, Maldives, Indonesia and Myanmar. Excluding Foreign Exchange translation impact, revenues would have increased by 2% compared to the reported flat revenue.
- Group EBITDA stable at QAR 10 billion with an improved EBITDA margin of 42%, indicating an improvement in operational performance from 9M 2015 (41%). Excluding Foreign Exchange translation impact, Group EBITDA would have increased by 3% year-on-year.
- Group Net Profit to Ooredoo shareholders increased by 4% to QAR 1.8 billion driven by strong contributions from Qatar, Oman, Indonesia, Algeria and Maldives. 9M Net Profit results benefitted from Foreign Exchange gains, which have been partially reversed again by FX losses in Q3.
- Continued strong data growth from consumer and enterprise customers: data revenue increased to 39% of Group revenue. Revenue from data contributed QAR 9.4 billion in 9M 2016.
- Group B2B revenue increased to 17% of Group Revenue or QAR 4.1 billion for 9M 2016 reflecting Ooredoo's ongoing investment in services for business customers.

#### Operational highlights:

- Customer base increased by 16% to reach almost 133 million driven by strong growth in Indonesia, Myanmar, Oman, Iraq, Tunisia, Algeria, Maldives and Palestine.

- Ooredoo continues to be a data leader in its markets: first telecom provider to launch 4G services in Myanmar (May 2016), 4G roll-out started in Algeria (post period October 2016). 4G networks are now available in 8 of Ooredoo's 10 markets.
- Ooredoo Group hosted a Capital Market Day in Doha, Qatar in September 2016. Investors and analysts met with Ooredoo's senior management to discuss the company's strategy and key operational developments, as well as sector dynamics.
- Ooredoo Group appointed Mr. Hendrik Kasteel as Chief Executive Officer of Ooredoo Algeria in August 2016 and Mr. Jorgen Latte, currently Chief Financial Officer Ooredoo Oman, as Acting Chief Executive Officer of Ooredoo Oman in October 2016.
- In October 2016 Ooredoo Maldives Plc. announced plans to offer a portion of its equity for sale to local and international investors, following its initial listing on the Maldives Stock Exchange next year.

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

"Ooredoo has produced good results for the past nine months, delivering healthy profitability levels and value for its shareholders. In Q3 we have seen a positive trend for Revenue and EBITDA. We are successfully implementing our digital strategy and delivering world class infrastructure and innovative products, which helped us increase our customer base by 16% to reach a total of almost 133 million. A recognized market leader in our core markets, we are the first telecom provider to launch 4G services in Myanmar and we have just started the 4G roll-out in Algeria, with 8 out of 10 of our operations now operating 4G networks. We believe we play a crucial role in connecting and developing the citizens of emerging economies where we operate and are proud to be making good progress in this area."

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

"Our strategy to optimize efficiencies across a consolidated portfolio resulted in improved financial results for the period. Our focus on efficiencies delivered an improved Group EBITDA Margin of 42%.

Our financial performance has been stable over the course of the past nine months, with a robust group Revenue of QAR 24 billion and a strong Group Net Profit attributable to shareholders of QAR 1.8 billion, driven by strong contributions from Qatar, Oman, Indonesia, Algeria and Maldives.

Ooredoo Qatar produced a positive performance in terms of Revenue and Net Profit. Both Ooredoo Oman and Ooredoo Kuwait delivered strong results with growth in Revenues and EBITDA.

Indosat Ooredoo is growing revenue almost in double digits with a positive Net Profit, reflecting continued operational improvements and a stabilization of the Indonesian Rupiah. Ooredoo Myanmar gained market share over the past nine months, with market penetration reaching more than 80% out of 54mn population, supported by the launch of additional affordable 3G handsets and the introduction of 4G in May 2016.

Data growth across the business has been strong, reflecting our ability to deliver highly valued data services to our customers across our best in class data networks. Data as a percentage of group revenue is now 39%, compared to 35% for the 9M 2015."

## Operational Review

## **Middle East**

### **Ooredoo Qatar**

Ooredoo Qatar 9M 2016 results showed a slight improvement over last year. 9M 2016 Revenue stood at QAR 6.0 billion (+1%), EBITDA was QAR 3.1 billion (flat) and Net Profit was QAR 1.6 billion (+2%). Customer numbers reached 3.4 million, a decrease by 1% over 2015.

Ooredoo boosted international connectivity during the period, successfully completing the landing of the new high capacity Asia-Africa-Europe-1 (AAE-1) subsea cable system in August 2016, to provide customers with access to new, high-speed global routing, and faster, more reliable bandwidth.

In addition, the company continued to invest and enhance the Qatar Data Centre, which is set to celebrate ten years of operation at the end of the year. Qatar Data Centre provides customers with access to more than 30 data centres in nine countries through strategic partnerships.

### **Ooredoo Oman**

Ooredoo Oman delivered strong results for 9M 2016, with improvement in Revenue, EBITDA and Net Profit. Ooredoo's high quality, modern network attracted 2.9 million customers, an increase of 6% year-on-year.

Revenue increased by almost 8% to QAR 2.0 billion, compared with QAR 1.8 billion in 9M 2015, driven by both mobile and fixed data revenue. EBITDA also increased, up 8% to QAR 1.1 billion (9M 2015: QAR 987 million) due to higher revenue. Net Profit exhibited a healthy growth of 16% to reach QAR 356 million from QAR 306 million in 9M 2015.

### **Ooredoo Kuwait**

Ooredoo's customer base in Kuwait was 2.4 million in 9M 2016, approximately in line with the same period in 2015. Revenues for nine months of 2016 were QAR 1.8 billion, an increase of 6% compared to 2015 of QAR 1.7 billion. EBITDA was QAR 434 million versus EBITDA of QAR 418 million in 9M 2015, an increase of 4%. Net Profit stood at QAR 81 million compared to QAR 105 million for the same period in 2015, which was adjusted for one-off tax provisions.

### **Asiacell - Iraq**

Overall business is still affected by the political and economic situation in the country, a dysfunctional banking system, and VAT impact. Despite these challenges, Asiacell maintained its revenue leadership in the market and is well positioned to capture growth as the situation on the ground improves. Customer number increased by 5% to 11.2 million on our leading 3G network.

For the 9M 2016 period, Asiacell's Revenue declined by almost 15% to reach QAR 3.2 billion, down from QAR 3.7 billion in 9M 2015. Due to cost optimization initiatives EBITDA was less impacted, registering QAR 1.5 billion in 9M 2016, down 9% as compared to the same period last year. Net Profit for 9M 2016 stood at QAR 79 million, down from QAR 152 million in 9M 2015.

## **North Africa**

### **Ooredoo Algeria**

Ooredoo's customer base in Algeria at the end of 9M 2016 was almost 14 million customers, an increase of 4% compared with the same period in 2015. The Algerian Dinar depreciated significantly compared with the same period last year, impacting the results reported in QAR. Revenues for 9M 2016 were QAR 2.8 billion compared to revenues of QAR 3.1 billion for the same period in 2015. EBITDA for 9M 2016 was QAR 1.0 billion, a decrease of 11% on QAR 1.2 billion for the same period in 2015. The Net Attributable Profit to Ooredoo for nine months of

2016 was QAR 264 million compared to a Net Attributable Profit of QAR 187 million, a significant increase of almost 41% from 9M 2015. Post period Ooredoo Algeria has commenced the launch of 4G services this month.

## **Ooredoo – Tunisia**

Ooredoo's Tunisia customer base stood at 7.8 million in 9M 2016, an increase of 4% on the same period in 2015. The Tunisian economy remains subdued and affected by lower levels of tourism and the QAR results are impacted by the depreciation of the Tunisian Dinar. Revenues for 9M 2016 were QAR 1.3 billion compared to QAR 1.4 billion in 9M 2015. EBITDA was QAR 504 million compared to QAR 626 million in 9M 2015. The Net Attributable Profit to Ooredoo in 9M 2016 was QAR 52 million compared to QAR 151 million for the same period in 2015.

## **Asia**

### **Indosat Ooredoo – Indonesia**

Indosat Ooredoo delivered a strong set of results for the period, driven by higher revenues in the consumer segment and growth in digital revenue.

Revenue increased almost 10% to reach QAR 5.9 billion, up from QAR 5.4 billion in 9M 2015. Supported by higher revenues, growth in customer numbers, EBITDA grew by 10% to reach QAR 2.7 billion in 9M 2016. Net Profit is now positive, reaching QAR 259 million, recovering from a loss of QAR 301 million in 9M 2015, and reflecting continued operational improvements, revenue growth, lower interest expenses and a stabilization of the Indonesian Rupiah.

Indosat Ooredoo increased its customer base by 18% to more than 80 million compared with 69 million in 9M 2015 with customers being attracted by its modern network and innovative product offers. Indosat Ooredoo has made investments in strategic population areas of Indonesia, with 4G coverage now reaching almost 100 cities and establishing itself as a clear digital leader in the market.

### **Ooredoo Myanmar**

Ooredoo Myanmar has been gaining market share, leading to an increase of 84% in its customer base, currently counting 8.8 million customers. Network coverage now extends to more than 85% of the Myanmar population with growth supported by penetration of data devices in the market, with the launch of additional affordable 3G handsets and the introduction of 4G in May 2016.

The company delivered strong revenue growth, up 41% to QAR 1.1 billion as compared to QAR 782 million in 9M 2015, underpinned by growth in its data business. Ooredoo Myanmar reduced the EBITDA loss by 76% in 9M 2016 to reach negative QAR 7.0 million, a significant improvement from an EBITDA loss of QAR 30 million in 9M 2015.

Ooredoo's 9M 2016 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

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

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**About Ooredoo**

# Press release



Ooredoo is a leading international communications company delivering mobile, fixed, broadband internet and corporate managed services tailored to the needs of consumers and businesses across markets in the Middle East, North Africa and Southeast Asia. As a community-focused company, Ooredoo is guided by its vision of enriching people's lives and its belief that it can stimulate human growth by leveraging communications to help people achieve their full potential. Ooredoo has a presence in markets such as Qatar, Kuwait, Oman, Algeria, Tunisia, Iraq, Palestine, the Maldives, Myanmar and Indonesia. The company was named "Most Innovative Company of the Year – MEA Region" at the 2015 International Business Awards.

The company reported revenues of USD 8.8 billion in 2015 and had a consolidated global customer base of 117 million customers as of 31 December 2015. Ooredoo's shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.