

Press release



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Ooredoo reports 21% increase in Net Profit for the first half of 2017 and customer base up by 4% to reach 26 million customers

Kuwait City, Kuwait, 25 July 2017: National Mobile Telecommunications Company K.S.C.P “Ooredoo” (Ticker: OOREDOO) announced today its financial results for the first half ended 30 June 2017:

Financial Highlights:

	Quarterly Analysis			Half Year Analysis		
	Q2 2017	Q2 2016	% change	1H 2017	1H 2016	% change
Consolidated Revenue (KD m)	174.7	175.6	0%	343.8	350.8	-2%
EBITDA (KD m)	64.0	58.9	9%	128.9	115.8	11%
EBITDA margin (%)	37%	34%	-	37%	33%	-
Net Profit attributable to NMTC (KD m)	10.4	9.1	14%	23.3	19.3	21%
Consolidated Customers (m)	25.6	24.6	4%	25.6	24.6	4%

Financial Highlights:

- Consolidated customer base increased by 4% to reach 25.6 million at 1H 2017, compared to 24.6 million for the same period in 2016.
- Revenues for 1H 2017 stood at KWD 343.8 million, compared with KWD 350.8 million for the same period in 2016, representing a decrease of 2%.
- EBITDA increased 11% in 1H 2017 to KWD 128.9 million, compared to EBITDA of KWD 115.8 million for the same period in 2016.
- The Net Profit Attributable to NMTC in 1H 2017 was KWD 23.3 million, representing a strong growth of 21% compared with KWD 19.3 million for the same period last year. Net Profit growth was supported by good performances by Ooredoo Algeria and by Ooredoo Maldives.
- The consolidated Earnings per Share was 46 fils compared to 38 fils per share earned for the same period last year.
- 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 (KWD 8.1 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

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Sheikh Saud Bin Nasser Al Thani, Chairman of the Board of Directors commented:

“Ooredoo has made good progress in the first half of the year, with increases in its customer base, EBITDA and Net Profit. He added that in a highly competitive market, Revenue was down 2% to KWD 343.8 million, compared with KWD 350.8 million for the same period in 2016. However, testament to the company's strong efficiency and cost optimization programme, Ooredoo delivered 11% growth in EBITDA to KWD 128.9 million. Company profitability also went up, with Net Profit increasing 21% to reach KWD 23.3 million compared with KWD 19.3 million for the same period last year. The growth in profitability was supported by good performances by Ooredoo Algeria and Ooredoo Maldives, where we continue to benefit from last year's 4G launch and further expansion of our 3G network. We remain committed to delivering a state-of-the-art network experience, an innovative product portfolio, and a differentiated customer experience. Our customers are at the heart of our business and I am pleased to report we have increased our customer base by 4% to 26 million customers.

Review of Operations

The Group's operational performance can be summarized as follows:

Ooredoo - Kuwait

Ooredoo's customer base in Kuwait stood at 2.3 million at the end of 1H 2017, representing an 8% decrease compared to the same period in 2016 due to intense competition and the overall market condition. Revenues for 1H 2017 were KWD 105.2 million, an increase of 5% compared to KWD 100.2 million in 2016. EBITDA was KWD 27.0 million, up from KWD 21.3 million in 1H 2016.

Ooredoo - Tunisia

Ooredoo's Tunisia customer base reached 8 million at the end of 1H 2017, an increase of 6% compared to the same period in 2016. Revenues for 1H 2017 stood at KWD 62.2 million, compared to KWD 69.5 million in 1H 2016. EBITDA was KWD 23.3 million compared to KWD 25.5 million for the same period in 2016. In local currency terms, revenue increased by 2% and EBITDA by 4%.

Ooredoo – Algeria

Ooredoo's customer base in Algeria increased to 14.0 million customers in 1H 2017, up by 5% compared with the same period in 2016. Revenues for 1H 2017 were KWD 145.5 million compared to revenues of KWD 152.9 million for the same period in 2016, negatively impacted by the increase in VAT and a weak economic environment. EBITDA for 1H 2017 increased to KWD 65.1 million, representing a 13% growth compared to KWD 57.4 million in 1H 2016.

Wataniya - Palestine

The total customer base for Wataniya Mobile Palestine at the end of 1H 2017 was eight hundred thousand, an increase of 8% from the same period in 2016. Revenues for 1H 2017 stood at KWD 12.6 million compared to revenues of KWD 12.5 million for the same period in 2016. EBITDA for 1H 2017 was KWD 3.3 million compared to an EBITDA of KWD 3.9 million for the same period in 2016.

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Ooredoo - Maldives

At the end of 1H 2017 Maldives total customer base was four hundred thousand, an increase of 8% from the same period in 2016. Revenues for 1H 2017 were KWD 18.2 million, an increase of 16% compared to KWD 15.7 million for the same period in 2016. EBITDA for 1H 2017 was KWD 10.4 million, an increase of 20% compared to an EBITDA of KWD 8.7 million for the same period in 2016.

For more information, please visit www.ooredoo.com.kw

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About Ooredoo Kuwait (NMTC)

Commercially launched in December 1999, the Company's share price as of 30 June 2017 was KWD 1.08, giving a market valuation for Ooredoo (NMTC) of KWD 0.5 Billion.